Settling In

OECD INDICATORS OF IMMIGRANT INTEGRATION 2012

OECD

Settling In: OECD Indicators of Immigrant Integration 2012

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Foreword

This publication presents the first international comparison across OECD countries of the outcomes for immigrants and their children in the area of economic and social integration. It is the first of a series that aims at giving an initial point of comparison, in the perspective of a regular monitoring of comparable indicators of integration across OECD countries. It benefited from the financial support of three OECD member countries: Canada (Citizenship and Immigration Canada); France (Ministry of the Interior, Overseas Territories, Local Authorities and Immigration); and Norway (Ministry of Children, Equality and Social Inclusion).

Over the past five years, the OECD has conducted eleven country surveys on the labour market integration of immigrants and their children. These reviews have been published in the three volumes of the Jobs for Immigrants *series. They contain analyses of key integration issues that are specific to the countries under review, namely the qualifications and work experiences of immigrants, their use and the value attributed to them in the labour market, the integration of the children of immigrants born in the host country and the issue of discrimination. This publication draws on the data gathered for these reviews and other work on integration issues, notably naturalisation and children of immigrants, carried out by the OECD International Migration Division. However, it widens the scope of these analyses to consider aspects of integration that go beyond the labour market.*

The publication draws on the national reports compiled by many OECD countries. These studies include a selection of those integration indicators for immigrants and their children which seem most likely to give an accurate reflection of the national picture. On the basis of these indicators, which differ greatly from one country to another, countries implement regular monitoring of the outcomes for immigrants and their children.

Chapter 1 provides a description of immigrant populations and their children while Chapters 2 to 9 analyse their outcomes. Eight fundamental themes are addressed to underlie economic and social integration: 1) the distribution of household income and the incidence of poverty; 2) the material conditions and cost of housing; 3) health status and access to health care; 4) education of the native-born children of immigrants; 5) labour market outcomes; 6) job characteristics; 7) civic engagement; and 8) discrimination.

This publication is a collective work of the staff of the OECD International Migration Division co-ordinated by Cécile Thoreau. It benefited from the work of the Division, in particular G. Lemaitre and T. Liebig, from contributions of consultants to the OECD Secretariat (Karolin Krause, Jeffrey Mo and Sarah Widmaier) and from comments from OECD experts in domains covered by the publication.
An interactive tool is available on line to access the data:
www.oecd.org/migration/integrationindicators.htm.

Editorial

The integration of immigrants and their children is high on the policy agenda of OECD countries, both from an economic standpoint and from a social one. The active participation of immigrants and their children in the labour market and, more generally, in public life is vital for ensuring social cohesion in the host country and migrants' ability to function as autonomous and productive citizens, and also for facilitating the acceptance of immigrants by the host-country population. In addition, the arrival on the labour market of large numbers of immigrants' children in recent years increases the need to conduct a more in depth study of their economic and social integration, including the degree to which their outcomes may be attributable to their immigrant origins.

This publication presents the first international comparison across OECD countries of the outcomes for immigrants and their children. The international comparisons provide countries with benchmarks so that they can compare their own results with those of other OECD countries. They also reveal aspects of integration which national data are not always sufficient to shed light on, show trends that are common for all countries and/or help to focus on the relevant issues. These international comparisons are not intended to be used to rank countries, but rather to show and put into perspective the differences between them.

The analyses presented in this publication therefore take a comparative and multidimensional approach to the integration of immigrants and their children in OECD countries. The key determinants of economic and social integration are addressed each in turn through a selection of statistical indicators. However, international comparisons are of use only if they take account of the diverse nature of the population being examined. This is why some indicators have been adjusted to show what the outcomes would be for the immigrant population if its average socio-demographic characteristics were identical to those of the reference population. A similar adjustment is made for the children of immigrants born and educated in the host country.

The dimension of *time*, which is essential for assessing the nature of migration patterns, is also taken into account in the analyses. The publication addresses it in terms not only of *trend* (comparing outcomes from 2000 with those from 2010), but also of *convergence* (how the length of residence in the host country affects outcomes and differences between the latter and those of a reference population). Indeed, immigrants' skills may not always be immediately transferable to the country they have moved to. The situation of the children of immigrants born and educated in the host countries is examined as well, because it is considered a key indicator in its own right of the success of the integration of their parents.

Several key findings emerge from the international comparison of integration indicators of immigrants and their children in OECD countries. First, outcomes vary significantly by area of economic and social integration. No single country can be identified

as performing best in all domains. Second, the range of immigrant outcomes across all OECD countries is generally greater than the differences observed between immigrants and the native-born population (regardless of their parents' place of birth) within countries.

Third, the composition of the immigrant population by category of entry, educational attainment and duration of stay is an important determinant of variations across countries. For example, outcomes in southern Europe and Ireland are generally affected by the relatively high proportion of recent immigrants, a group which is more frequently exposed to housing problems and, for the more highly skilled among them, to overqualification in their jobs. The relatively high level of qualifications among the immigrant population in some host countries (Australia, Canada and New Zealand) has an overall positive impact on immigrant outcomes for these countries, particularly in terms of access to the labour market and the quality of jobs held, as well as in the distribution of household income among immigrants and in their housing conditions.

Fourth, all differences between immigrants and the native-born population cannot be entirely explained by observable socio-demographic variables, and the share that can be explained varies according to the domain covered. This underlines the importance of variables, not observed in the framework of this publication, such as competences; proficiency in the host-country language; the quality of the diploma obtained abroad; the importance of non-observables, such as motivation, adaptability to a new environment; cultural awareness; and finally the importance of contextual variables, such as the situation and functioning of the housing and labour markets, the conditions of access to social services but also the prevalence of discrimination. More in-depth analyses would therefore be needed to better understand differences across countries in immigrant outcomes and within countries between different groups of immigrants.

Fifth, unsurprisingly, immigrant outcomes in the labour market improve over time. An important finding is that, before the recent economic and financial crisis, more recent cohorts of immigrants were showing better outcomes at the same point in their stay than those who had arrived before them. This is especially visible in the early years after arrival. This may be a result of a combination of factors, among them an overall improvement in the employment situation after 2001, a larger share of labour migrants in the inflows in many countries, but also an enhanced policy focus on the labour market integration of new arrivals. In countries where recent immigration consisted largely of labour migration, with immigrants generally having jobs upon arrival – notably in Ireland and Spain, as well as in the United Kingdom – the economic crisis has severely affected the outcomes of these recent cohorts.

Sixth, the size and the composition of the household, in particular the presence of a native-born adult, have a significant impact on household outcomes. Mixed households (including both foreign- and native-born adults among reference persons) are more likely to benefit from a larger family and occupational network in the country of residence than immigrant households (including only foreign-born reference persons).

Finally, the publication highlights the persistent disadvantages which the native-born children of immigrants raised and educated in the host country are facing compared with children with at least one native-born parent. Successful educational outcomes for children are partly determined by socio-economic factors, the characteristics of the schools they attend (namely the percentage of parents with poor educational attainment

per school), as well as specific features of the immigrant populations (*i.e.* the language mostly spoken at home). Gaps also remain in most OECD countries in terms of access to employment by the children of immigrants and the quality of jobs they hold. In addition, they are less likely than the rest of the population to find jobs in the public sector, despite having the nationality of their country of residence.

The objective of this publication is to give an initial point of comparison, across OECD countries, concerning the outcomes of immigrants and their children in the main areas of economic and social integration. It is the first of a series on these issues, intended to provide a regular monitoring of comparable indicators of integration across OECD countries.

John Martin
Director for Employment,
Labour and Social Affairs, OECD

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Reader's Guide

Country coverage

This publication features data on all OECD countries. However, Chile, Japan and Korea are not fully covered in Chapters 2 to 9. Data for other countries are missing when sample sizes do not allow to produce reliable estimates from survey data.

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Calculating OECD averages

An OECD average is presented when the indicator could be calculated for most OECD countries. The OECD average corresponds to the arithmetic mean of the respective country estimates, unless otherwise stated. In the case of some indicators, a total representing the OECD area as a whole was also calculated.

Where the focus is on comparing performance across countries, the OECD average is used. In the case of some countries, data may not be available for specific indicators, or specific categories may not apply. Readers should, therefore, keep in mind that the terms "OECD average" refer to the OECD countries included in the respective comparisons. When comparisons are made over time, the countries included in the OECD average are those for which all the time series is available.

Adjusting for key variables

In order to partly account for the differences in demographic structures between the immigrant and the native-born populations, adjusted immigrant outcomes are presented predicting what it would be if the foreign-born population had the same demographic characteristics as the native-born population. Depending on the indicators, age, educational and income characteristics are considered. The same kind of adjustment is presented to explain differences in outcomes between the native-born offspring of immigrants and of native-born parents.

Focusing on statistically significant differences

To the extent possible, when producing estimates from survey data, a statistical test was applied to test whether the difference between the foreign – and the native – born estimates was statistically different from zero at 5% level. A difference is statistically different from zero when a 95% confidence interval about the difference in the estimates does not contain zero. The same statistical test was applied to the difference between the native-born children of immigrant's outcomes and those of the children of native-born.

Acronyms, abbreviations and definitions of terms used in the report

ACS	American Community Survey (United States).
Adjusted rates	Adjusted rates show what outcomes would be for the immigrants/offspring of immigrants if their socio-demographic characteristics were comparable on average to those of the reference population. The adjustment is made using the Oaxaca-Blinder decomposition. Different variables are used depending on the topic covered.
Children of native-born	Native-born children with at least one parent native-born.
CPS	Current Population Survey (United States).
DIOC	Database on Immigrants in OECD Countries.
ESS	European Social Survey.
EU-SILC	European Union Statistics on Income and Living Conditions.
FB	Foreign-born.
GSS	General Social Survey.
Head of household	See "reference person".
HILDA	Survey on Household, Income and Labour Dynamics in Australia.
Household	A person residing alone or two or more people who usually reside together and share facilities (such as eating, cooking, bathroom and toilet facilities, a living area).
Household immigration status	Defined by the head of household's country of birth. An immigrant household is a household in which all persons declared responsible for the dwelling (one or two persons) were born abroad. A native-born household is one in which at least one native-born person is responsible for the household. Among native-born households, a mixed household is one in which one of the responsible persons was born abroad.
Immigrant	Person born abroad.
Immigrant household	Household in which all persons declared responsible for the dwelling (one or two persons) were born abroad.
ISCED	International Standard Classification of Education *www.uis.unesco.org/education/pages/international-standard-classification-of-education.aspx?SPSLanguage=EN*.
ISCO	International Standard Classification of Occupations *www.ilo.org/public/english/bureau/stat/isco/index.htm*.
LFS	Labour Force Survey.

Lower-income countries	Non-OECD countries plus Mexico and Turkey. Opposed to "OECD high-income countries".
Mixed household	Household with two reference persons, one native-born and one born abroad.
NB	Native-born.
Native	Refers to native-born persons or households. When it refers to households, it means that at least one reference person in the household is born in the country of current residence.
Native-born children of immigrants	Native-born children with both parents foreign-born.
Native-born household	In contrast to immigrant household, a household in which at least one native-born person is responsible for the household. Among native-born households, a mixed household is one in which one of the responsible persons was born abroad.
NEET	Neither in Employment nor in Education or Training.
NZGSS	New Zealand General Social Survey.
OECD average	OECD averages (percentages) presented are generally non-weighted averages taking each OECD country as single entity with equal weight. The "OECD average" corresponds to the arithmetic mean of the respective country statistics, taking into account only the selected countries presented in the figures. The weighted OECD average is also referred to in the text, as required.
OECD high-income countries	32 OECD countries (all OECD countries except Mexico and Turkey).
Offspring of native-born	Native-born person with at least one parent native-born.
PISA	OECD Programme for International Student Assessment.
Recent migrants	Immigrants who entered the country within the last five years (as opposed to "settled" migrants).
Reference person	Defined differently depending on the data source. EU-SILC: one or two persons are identified as "responsible for the household". They are defined as the person(s) owning or renting the accomodation or the person(s) to whom the accomodation is provided if it is provided free. If more than two persons share the responsibility, only the two oldest persons are registered. Swiss SHP and Israeli LFS: the reference person is the one who fills in the household questionnaire. His/her spouse (if any) is identified in this publication as the second reference person. US Current Population Survey: the term "householder" refers to the person (or one of the persons) in whose name the housing unit is owned or rented (maintained) or, if there is no such person, any adult member, excluding roomers, boarders, or paid employees. If the house is owned or rented jointly by a married couple, the householder may be either the husband or the wife. The concept of head of household or reference person is not used in Australia nor in Canada or New

	Zealand. Instead, the person with the highest wage and his/her spouse (if any) are identified as the reference persons in this publication.
Settled migrants	Immigrants who have entered the current country of residence since more than five years (as opposed to "recent" migrants).
SHP	Swiss Household Panel.
SLID	Survey of Labour and Income Dynamics (Canada).

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Chapter 1

Contextual indicators

Implementing effective integration policies requires evaluating the extent to which outcomes of immigrants and their offspring differ from those of a reference group. When differences exist, it is important to identify clearly the reasons why. An immigrant population's composition reflects successive waves of migration of persons of different backgrounds and skills and varies widely within and across countries. A detailed presentation of the socio-economic characteristics of immigrants and their offspring and comparison with a reference group is prerequisites to any assessment of outcomes. Variations in distribution by age, educational attainment or other socio-demographic characteristics between the target and reference population can make simple comparisons of the two groups' average outcomes difficult to interpret. In addition to these socio-demographic characteristics, it is important to examine (when the statistical information is available) special features of the immigrant population, such as their language skills, the place where their education has been completed, their access to information about labour market opportunities and knowledge of the employment and social services in the destination country.

While some immigrants' specific features may hamper their outcomes, this should not be the case for the children of immigrants born and educated in the host country. The children's outcomes are sometimes considered the benchmark by which integration is judged.

The purpose of this chapter is to define and describe the different population groups examined in this publication. Section 1.1 focuses on the immigrant population and Section 1.2 on the native-born children of immigrants, including a comparison of their separate socio-demographic characteristics with those of the reference population. Section 1.3 focuses on immigrant households in terms of size and composition. Overall, throughout the publication, there are frequent references to such contextual data in order to highlight differences observed between target and reference populations.

1.1. The immigrant population

Defining the immigrant population

Nationality and place of birth are the most commonly used criteria for defining a country's "immigrant population". The foreign population (population with foreign nationality) comprises immigrants who have kept the nationality of their country of origin and, in a limited number of countries (mainly Luxembourg and Switzerland), second and third generations born in the host country who were not naturalised. More importantly, this definition excludes all immigrants who were naturalised. The amplitude and historical timing of waves of migration, the extent to which legislation facilitates or hinders the acquisition of citizenship and the motivations that prompt foreigners to seek naturalisation play a decisive role in shaping trends for the foreign population defined on this basis and limit the relevance of international comparisons. For these reasons, this publication focuses instead on the immigrant population defined as persons born abroad, whatever their nationality.

Nonetheless, this definition has its limitations, especially with regard to countries that have undergone successive boundary shifts throughout their history (as has been the case of Poland, the Slovak Republic, the Czech Republic and Hungary). A substantial share of these countries' populations now classified as foreign-born have in fact never migrated.

Conversely, under this definition, the immigrant population could include persons born abroad but with host-country citizenship at birth or people who obtain citizenship by virtue of historical ties between their country of birth and their country of residence. Such is the case, for example, of Algerians repatriated to France and of people repatriated to Portugal from Portuguese-speaking Africa; of Aussiedler in Germany, born in the former USSR, Romania or Poland; of ethnic Hungarians born in Romania or Serbia; or of persons of Finnish descent born in Russia or Estonia. The foreign-born population may also include children born abroad to expatriate parents.

Limiting the immigrant population to persons born abroad with foreign nationality at birth would be ideal as it would be independent of the naturalisation rate, would include only those persons who have actually migrated and would exclude the returning children of expatriates. Unfortunately, available data do not yet allow adopting this definition in this study.

Size of the immigrant population and its evolution since 2000

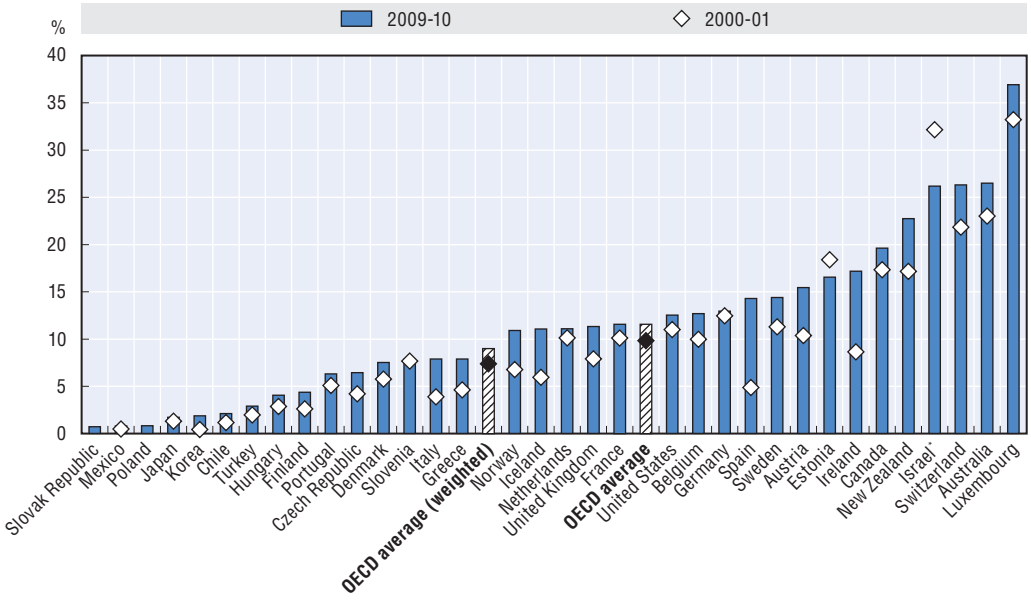
Approximately 110 million foreign-born persons were living in the OECD countries in 2009-10, representing 9% of the total population. This stock increased by a third compared with 2000-01, despite recent drops in migratory flows due to the 2008 economic crisis. Over a third of foreign-born persons were living in the United States in 2009-10, while the United States only represented a quarter of the OECD population. Germany is the second-ranked OECD host country, with nearly 10% of all migrants in the OECD.

Luxembourg (where 38% of the population is foreign-born), Australia, Switzerland and Israel[1] (with immigrants representing 26% of their populations), along with New Zealand (23%) and Canada (20%), are the OECD countries in which immigrants account for the largest shares of their populations (Figure 1.1). Ireland, long considered a land of emigration, comes next with 17%. In Latin America, Asia and certain eastern European countries, like the Slovak Republic, Poland and Hungary, the proportion of foreign-born persons is less than 4%. For countries with the largest number of immigrants, *i.e.* Germany, the United States, France and the United Kingdom, their shares in population are close to the OECD average.

The foreign-born share of the population increased in almost all of the OECD countries between 2000-01 and 2009-10, with Estonia and Israel being the exceptions. The increase has been especially spectacular in Spain, where the foreign-born share of the population trebled. At the end of the period, Spain had over 6.5 million immigrants – a figure comparable to Canada and over 750 000 more than in Australia. In Ireland and Iceland, immigrants' shares of the total populations almost doubled. While Iceland, with 11%, remains below the OECD average, Spain and Ireland are now in the upper range, with immigrants accounting for respectively 14% and 17% of their total population.

Figure 1.1. **Total foreign-born population, 2000-01 and 2009-10**

Percentage of the total population



Note: Total population (0+). Population with a foreign nationality as opposed to foreign-born in Japan and Korea.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: OECD Database on International Migration and European Union Labour Force Survey (Eurostat).

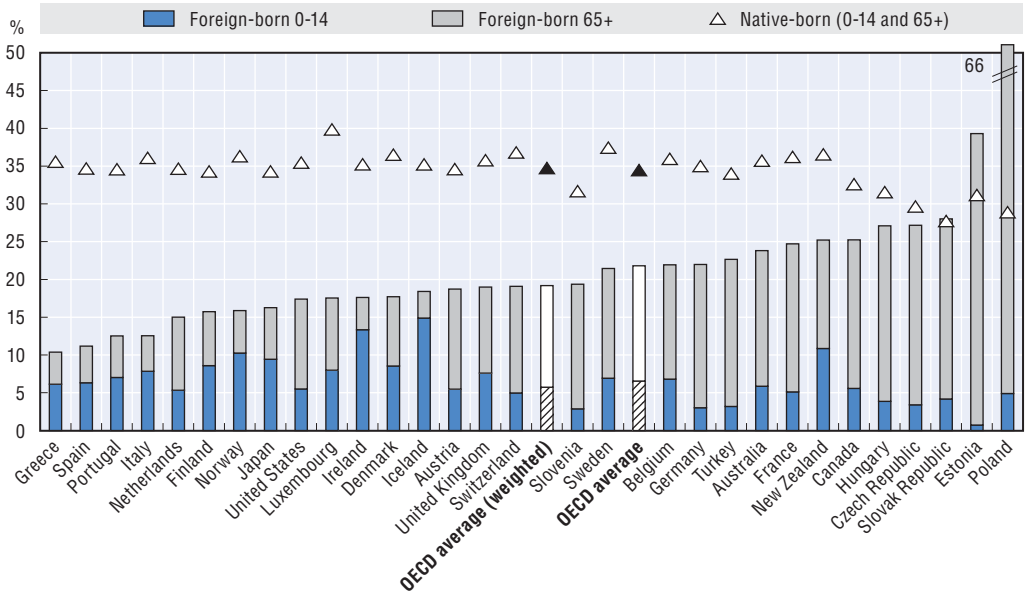
StatLink *http://dx.doi.org/10.1787/888932734362*

Distribution by gender and age

The age composition of an immigrant population is largely driven by the historical timing of different migration cohorts. Geopolitical changes may also have an impact. For instance, successive border shifts which took place decades ago explain why nearly two-thirds of the immigrants in Poland, 40% in Estonia and nearly a quarter in the Czech and Slovak Republics are over 65 years of age (Figure 1.2). The historical timing of migration

Figure 1.2. **Foreign- and native-born populations aged 0-14 and over 65, 2009-10**

Percentage of foreign- and native-born populations, respectively



Note: Population with a foreign nationality as opposed to foreign-born in Japan and Korea. Corresponding data are presented in the Annex 1.A1 at the end of Chapter 1.

Source: Database on Immigrants in OECD countries (DIOC) 2005-06 and European Union Labour Force Survey (Eurostat).

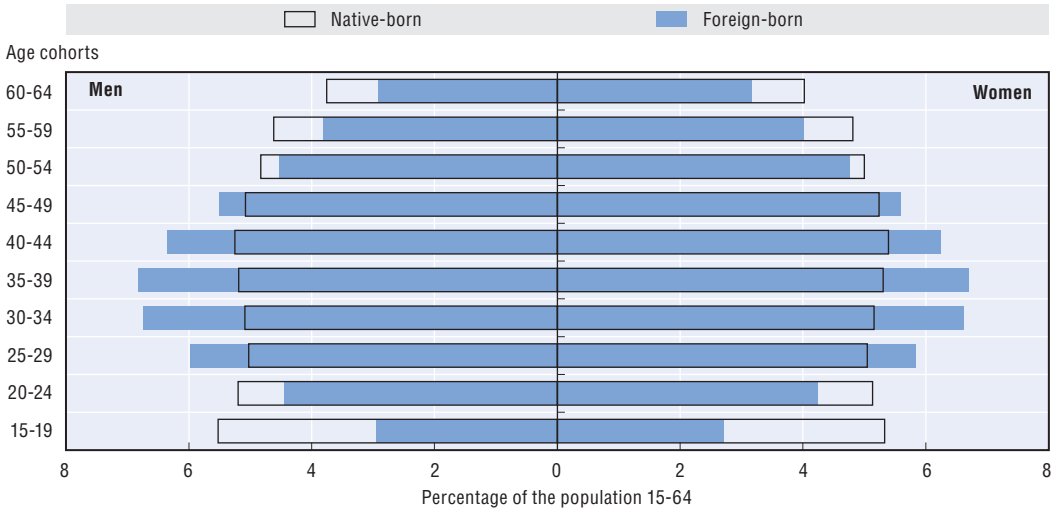
StatLink http://dx.doi.org/10.1787/888932734381

cohorts shapes the age composition of the immigrant population in Canada, France and Australia, in which nearly 20% of immigrants are over 65. In contrast, the share of the elderly is very low in relatively recent immigration countries (southern Europe, Iceland and Ireland). Ireland and Iceland also stand out because their percentages of immigrants below 15 years of age are more than double the OECD average. In OECD countries on average, 78% of the immigrant population is of working age (15 to 64). In particular, in southern Europe, the Netherlands and Finland, large majorities of immigrant populations are of working age. In contrast, less than 75% of the immigrant populations of Poland, the Czech Republic and Hungary, as well as Canada, New Zealand and France, are of working age.

Immigrants are overrepresented in the most active age groups. On average throughout the OECD area, immigrants aged 25 to 44 account for 51% of working-age immigrants, versus 41% for the native-born (Figure 1.3). However, young immigrants (aged 15 to 24) are overrepresented in a number of OECD countries. Such is the case of Mexico (where they account for 26% of all working-age immigrants), Finland, Japan and Ireland.

In the OECD, women account on average for 52% of the foreign-born population in 2009-10 (refer to Table 1.A1.1 in the statistical annex at the end of Chapter 1). The proportion fluctuates between 49% and 55% in 28 out of the 34 OECD countries. Estonia (62% of women) and Poland (61%) are exceptions, as is Turkey (41%). In all countries, there have only been slight changes since 2000.

Figure 1.3. **Age composition of the working-age population, by place of birth, 2005-06**



Note: Weighted average (OECD countries, excluding Chile, Estonia, Hungary, Iceland, Israel, Korea, Slovak Republic, Slovenia, Turkey). Foreign and national populations in Japan instead of the foreign- and native-born.
Source: Database on Immigrants in OECD Countries (DIOC) 2005-06.

StatLink http://dx.doi.org/10.1787/888932734400

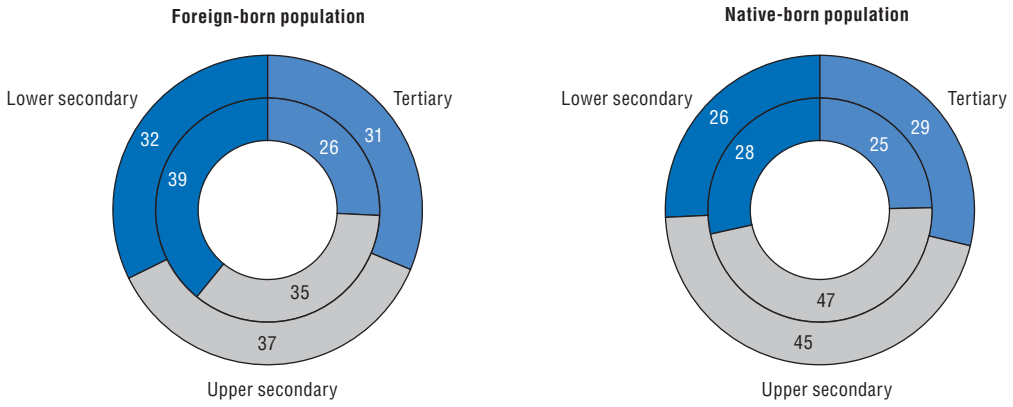
Distribution by educational attainment

On average throughout the OECD area, immigrants are overrepresented in populations whose educational attainment does not exceed lower secondary school (32% versus 25% for native-born) and are equally represented among tertiary graduates (Figure 1.4).

In 2009-10, nearly 32% of immigrants had a maximum educational attainment corresponding to lower secondary school, versus 39% in 2000.

Figure 1.4. **Distribution of the population aged 15 to 64 by educational attainment and place of birth in the OECD area, 2000-01 and 2009-10**

Total = 100
Internal circle: 2000-01, external circle: 2009-10, percentage



Note: Weighted average (OECD countries, excluding Chile, Israel and Korea). Foreign and national populations in Japan instead of the foreign- and native-born.
Source: US Current Population Survey; other non-European countries: Database on Immigrants in OECD Countries (DIOC) 2005-06; European countries: European Union Labour Force Survey (Eurostat).

StatLink http://dx.doi.org/10.1787/888932734419

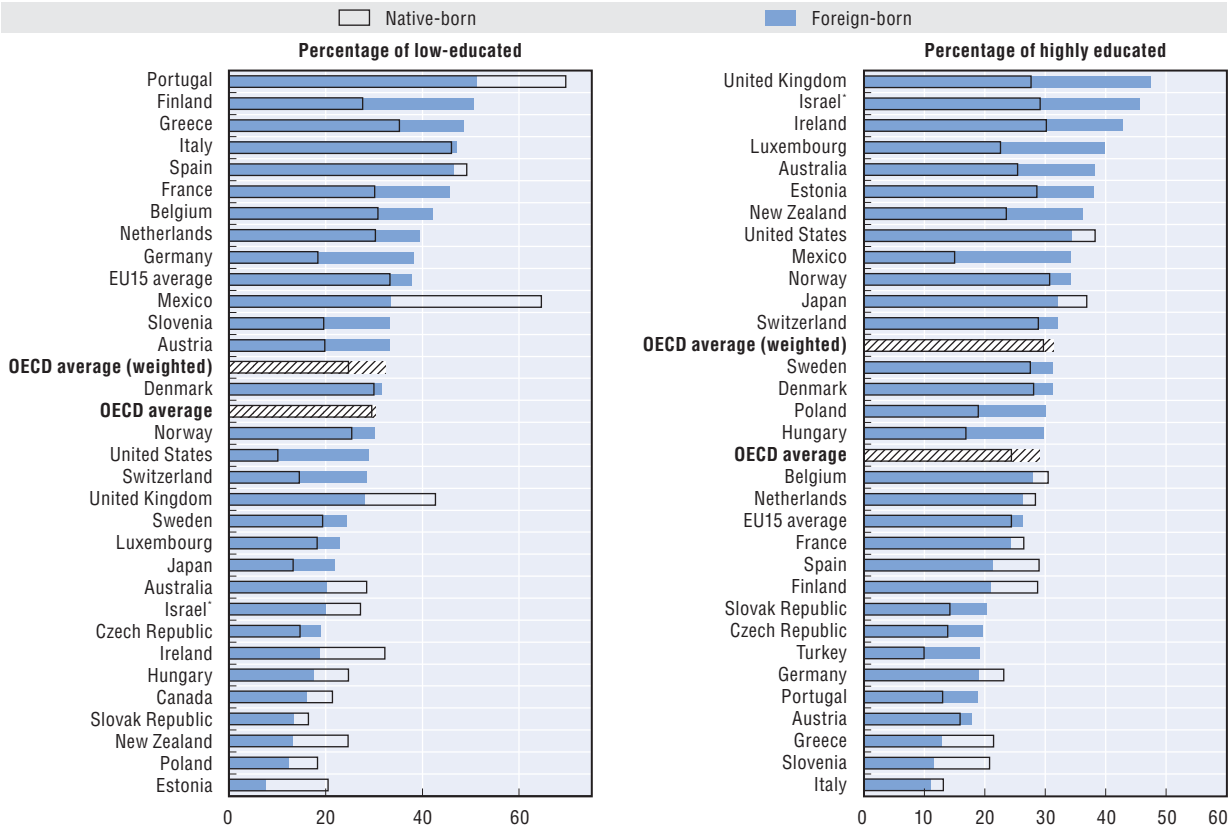
More than 26 million immigrant tertiary graduates were living in the OECD countries in 2009-10. This represents 31% of the immigrant population and less than 4% of the total working-age population. This share of tertiary graduates among immigrants rose by 5 percentage points between 2000-01 and 2009-10. The progression among the native-born population is similar, rising from 25% to 29%.

Canada, Ireland, Israel, Luxembourg and the United Kingdom, are the five OECD countries with the highest share of tertiary graduates among immigrants (ranging from 40% in Luxembourg to 52% in Canada). In these five countries, tertiary graduates are substantially overrepresented among immigrants as compared to native-born. The differential with native-born ranges from 12 percentage points in Canada to nearly 20 in the United Kingdom. Conversely, a majority of immigrants in southern Europe and Turkey are low-educated. Immigrants of lower secondary school level account for more than 45% of all immigrants in France, Spain, Italy, Greece, Portugal, Finland and Turkey (Figure 1.5).

The proportion of tertiary graduates among recent immigrant men increased between 2000-01 and 2009-10 in half of the OECD countries and increased or remained stable in most countries in the case of women (Figure 1.6). Australia, Denmark, Germany,

Figure 1.5. **Educational attainment of the population aged 15 to 64 by place of birth, 2009-10**

Percentage



Note: Foreign and national populations in Japan instead of the foreign- and native-born.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: US Current Population Survey; other non-European countries, Finland and the United Kingdom: Database on Immigrants in OECD Countries (DIOC) 2005-06; other European countries: European Union Labour Force Survey (Eurostat).

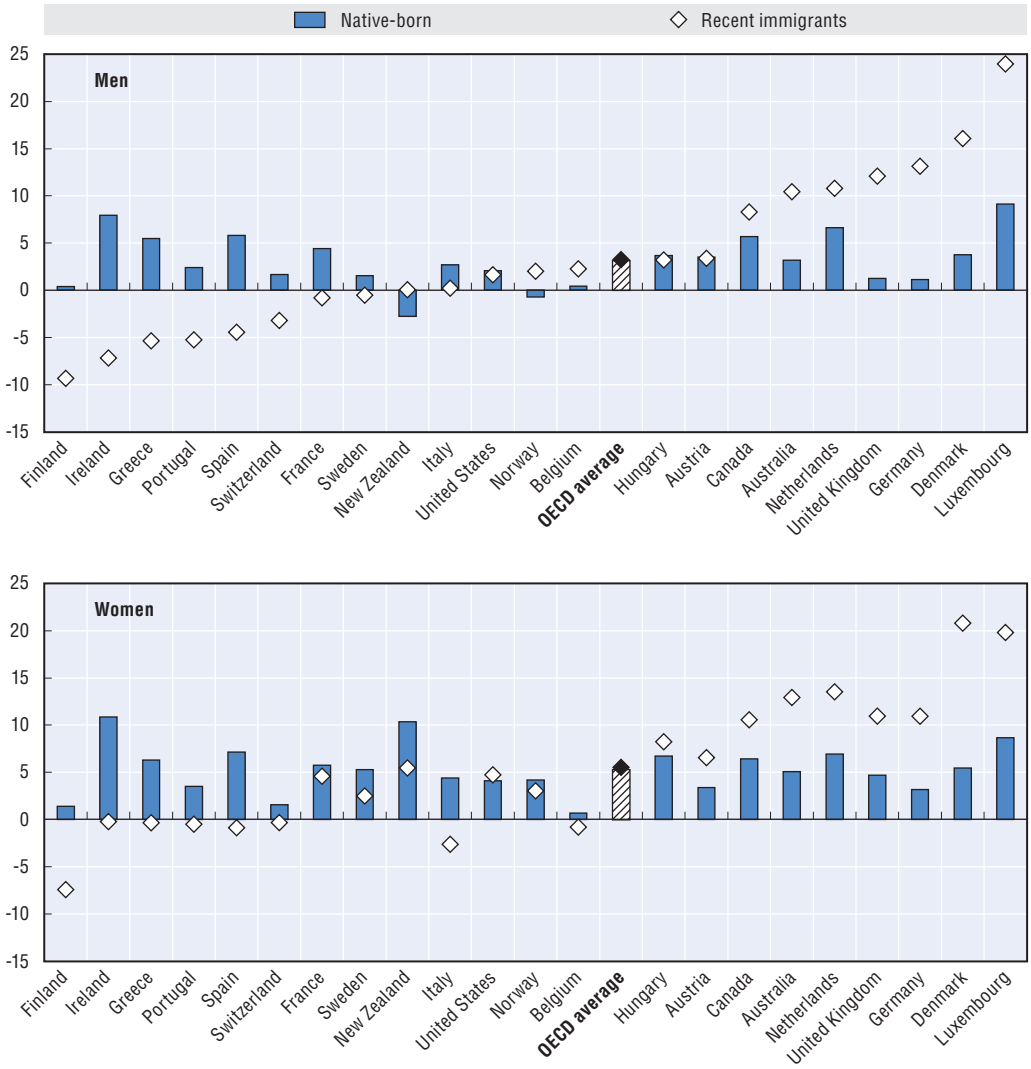
StatLink *http://dx.doi.org/10.1787/888932734438*

Luxembourg and the United Kingdom experienced the sharpest increase in tertiary graduates among recent immigrants, both men and women, which was even greater than for the native-born population. The increase was also substantial in the Netherlands and Canada but the differences with native-born populations are not so sharp.

In contrast, in Finland, Greece, Ireland, Portugal and Spain, the proportion of tertiary graduates among recent immigrant men decreased significantly and remained stable among women (except in Finland where it also decreased).

Figure 1.6. **Change in the proportion of highly educated men and women among recent immigrants and the native-born population between 2000-01 and 2009-10**

Change in percentage points



Note: Recent immigrants are those who have arrived in the last five years.

Source: European Union Labour Force Survey (Eurostat) for Austria, Denmark, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, the Netherlands, Norway, Spain and Sweden; *2000 Census and 2010 New Zealand Labour Force Survey*; Database on Immigrants in OECD Countries (DIOC) 2000 and 2005-06 for all other countries.

StatLink http://dx.doi.org/10.1787/888932734457

Duration of stay

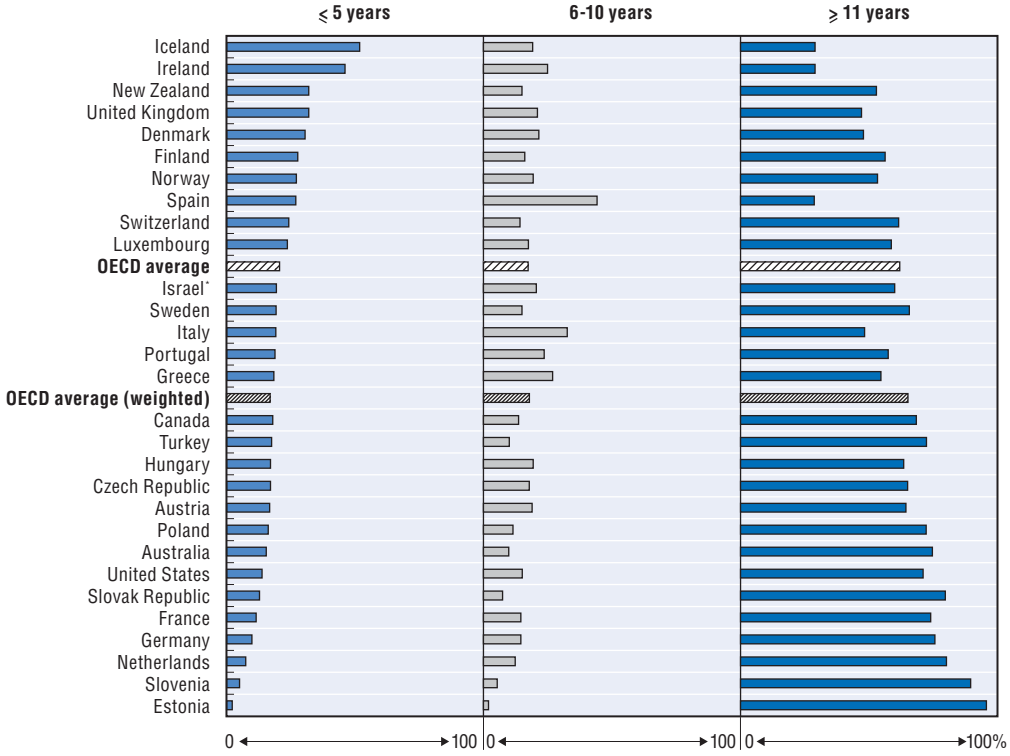
In half of OECD countries, at least three out of five immigrants have been living in host countries for over 10 years. In eastern European countries, Australia, France, the Netherlands and the United States, this proportion exceeds 70% (Figure 1.7). The situation is different in Estonia and Slovenia, where most immigrants have settled for a long time, a fact that could be explained by geopolitical changes in the region. In Estonia's case, the vast majority of immigrants are internal migrants from various regions of the former Soviet Union before it was dismantled. In the case of Slovenia, the high proportion of long-settled immigrants is largely composed of former Yugoslavians.

A second group of OECD countries have an important share of recent migrants. In Iceland, six out of every ten immigrants have arrived over the past five years. In Ireland, the same can be said for nearly half the foreign-born population. In Denmark, Finland, New Zealand, Norway, Spain and the United Kingdom, recent immigrants account for over a quarter of the total.

Southern European countries that became immigration countries in the 1990s and 2000s tend to have a substantial share of immigrants who have been there for six to ten years. For instance, in Spain nearly half of the immigrants reported a duration of stay

Figure 1.7. **Composition of the foreign-born population aged 15 to 64 by duration of stay, 2009-10**

Percentage of the total foreign-born population



* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: 2006 Canadian Census; US Current Population Survey; Iceland National Statistical Office; European Union Labour Force Survey (Eurostat) and *Database on Immigrants in OECD Countries (DIOC) 2005-06*.

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between six and ten years in 2009-10 while only 29% have been in the country for more than ten years. Italy presents a similar profile, with 33% of its foreign-born population having arrived in the first half of the decade. Greece and Portugal also have substantial shares of immigrants who arrived during this period (27% and 24% respectively).

Reasons for migrating

On average, in the 15 European countries for which information is exploitable on stocks of foreign-born by category of entry, over half of migration is for family-related reasons (27% for family formation or family reunification and 25% entered while under the age of 15) and over a quarter of immigrants entered for professional reasons (Table 1.1). Only 6% stated they had entered for humanitarian reasons, 5% as students, and 8% for other reasons (on average over the 15 countries for which data are presented in Table 1.1, the non-response rate was 3%.)

Important differences exist across countries, reflecting different approaches to migration policy throughout the OECD. Family-related migration predominates in many countries, and especially in France, the Netherlands and Norway. In France and Portugal, nearly 40% of immigrants said they had migrated before the age of 15. Conversely, between 40% and 50% of immigrants in Greece, Italy, Ireland and Spain had migrated because of work. Roughly 18% of immigrants settled in Sweden had entered for humanitarian reasons. The greatest volume of students, as a proportion of total immigrants (but in absolute value as well), was in the United Kingdom (14%), followed by France (8%)

Recent permanent flow data also show significant variety across countries in the composition of international migration. The OECD standardised flow data available from 2003 show the relative importance of free movement, particularly in Norway and Switzerland, where migrants are attracted by good labour market conditions and high

Table 1.1. **Foreign-born population by reason for migrating, 2008**

Percentage of the total foreign-born population

	Employment	Family		Humanitarian	Study	Other	No answer	Total
		Family reunification and accompanying family	Persons who migrated before the age of 15					
Austria	26	30	22	10	7	5	0	100
Belgium	17	34	24	6	5	11	1	100
France	14	26	38	2	8	5	8	100
Germany	13	27	27	9	4	9	12	100
Greece	51	17	16	6	2	7	3	100
Ireland	40	19	17	2	7	12	4	100
Italy	44	25	25	0	2	2	1	100
Luxembourg	35	31	18	3	1	11	1	100
Netherlands	10	31	37	8	5	9	0	100
Norway	8	34	29	11	4	7	6	100
Portugal	25	23	39	1	3	8	2	100
Spain	47	25	15	0	3	8	2	100
Sweden	10	34	24	18	3	8	2	100
Switzerland	31	27	20	3	4	10	3	100
United Kingdom	23	22	23	5	14	9	4	100

Source: European Union Labour Force Survey, 2008 *ad hoc* module (Eurostat).

StatLink http://dx.doi.org/10.1787/888932736338

Box 1.1. **Sources of available data on entry categories**

A great deal of research has shown the importance of the entry category in explaining the outcomes of immigrants, in particular on the labour market. This kind of information, although presumably available from residence permit registers, is either not reliable (if files are not updated regularly to exclude immigrants who have left the country, changed status or had their permit renewed) or not useful (if it is not coupled with other files likely to provide socio-economic information about the migrants). This pairing of files is carried out in the Nordic countries, but it has turned out that the information is recorded poorly for the longest-standing immigrants. For example, entry categories are indicated for only a third of the immigrants who have settled in Norway for over ten years.

Survey data constitute an alternative source. In 2008, the special module of the Eurostat employment survey included a question on the reasons for the most recent entry into a given country (the primary reason why the person being surveyed had migrated). The choice of categories includes: work (distinguishing between immigrants who enter with or without a job offer), study, family (with the possibility of distinguishing family reunification, accompanying family and immigrants entering prior to 15 years of age) and refugees. The information that stems from this kind of question is significantly different from that generated from data on the types of residence or work permits. In particular, spouses who enter for family reunification may report that they have entered for professional reasons, as humanitarian migrants may do. Additionally, it is likely that the quality of information decreases with the duration of stay, because it is often harder for immigrants who have settled for a number of decades to remember exactly the conditions under which they migrated. Despite these limitations, such data can be particularly valuable as they can be coupled with a full range of socio-economic variables available in employment surveys and hence be complementary to data on types of permits.

Although some non-European countries have surveys providing detailed information on the reasons for migrating, this question is generally asked to recent migrants only (for example, persons who moved during the year in the US Current Population Survey; persons who moved within the last two years in the New Zealand Survey of Dynamics and Motivations for Migration; persons who entered within the last ten years in the Australian Household, Income and Labour Dynamics (HILDA).

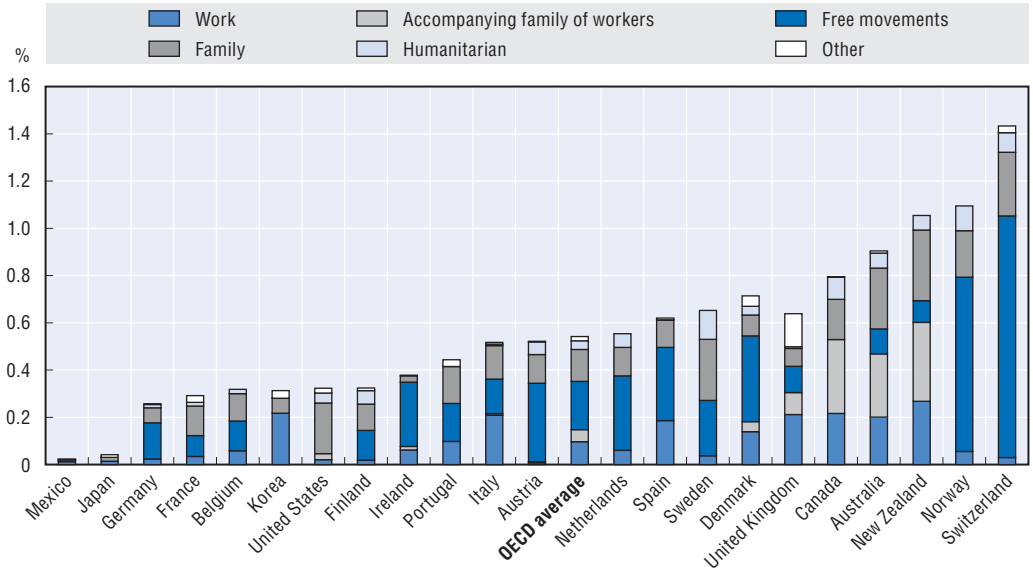
Finally, administrative data on permit of residence and work permits provide valuable information on flows by category of permit. The OECD publishes annual standardised flow data by category of permits, starting in 2003 in its annual publication *International Migration Outlook*. These data are presented in Figures 1.8 and 1.9.

salary levels. Migrants from the EU-15 have full access to the Swiss labour market since 2007. Norway and Switzerland have received the largest number of permanent migrants in per-capita terms (Figure 1.8). Not considering free movement, labour migration accounted for more than 35% of immigration flows to the European Union in 2010, compared with 6% in the United States. This share ranges from less than 10% in Austria, the Nordic countries, Switzerland and the United States to 30% or more in Italy, Japan, Korea, Mexico, Spain and the United Kingdom.

In most countries, the share of employment-related flows in total inflows has increased since 2003 (Figure 1.9). This is particularly the case in Italy and Japan and, to a lesser extent, in Sweden (where a substantial labour migration reform was implemented), in Belgium, France and Germany. However, in these four latter countries, employment-related flows represent less than 20% of total inflows in 2010.

Figure 1.8. **Permanent inflows by category of entry, 2010**

Percentage of the total inflows



Source: OECD (2012), *International Migration Outlook*.

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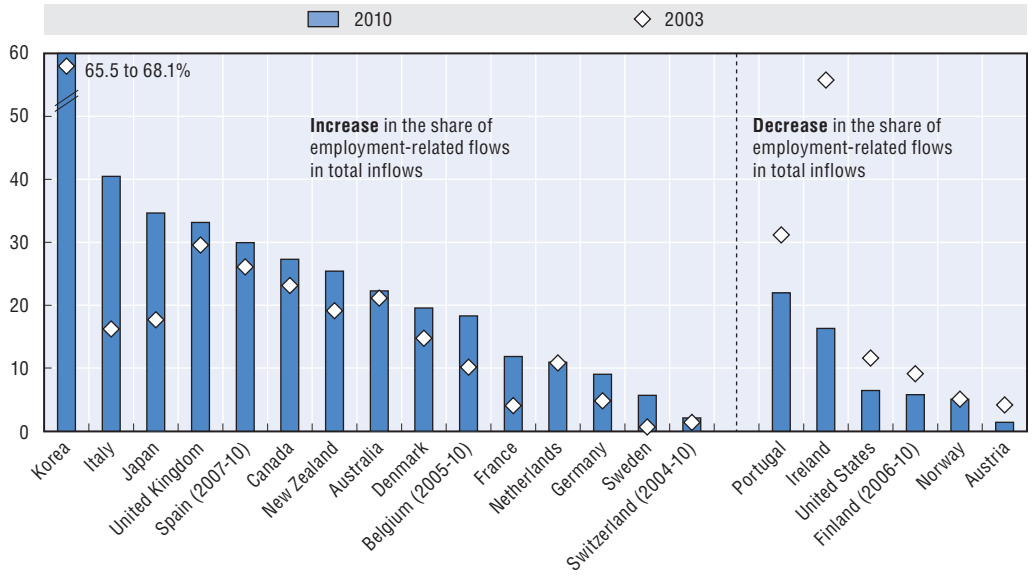
Figure 1.9. **Share of employment-related flows in total inflows, 2003 and 2010**

Percentage of total inflows



Source: OECD (2012), *International Migration Outlook*.

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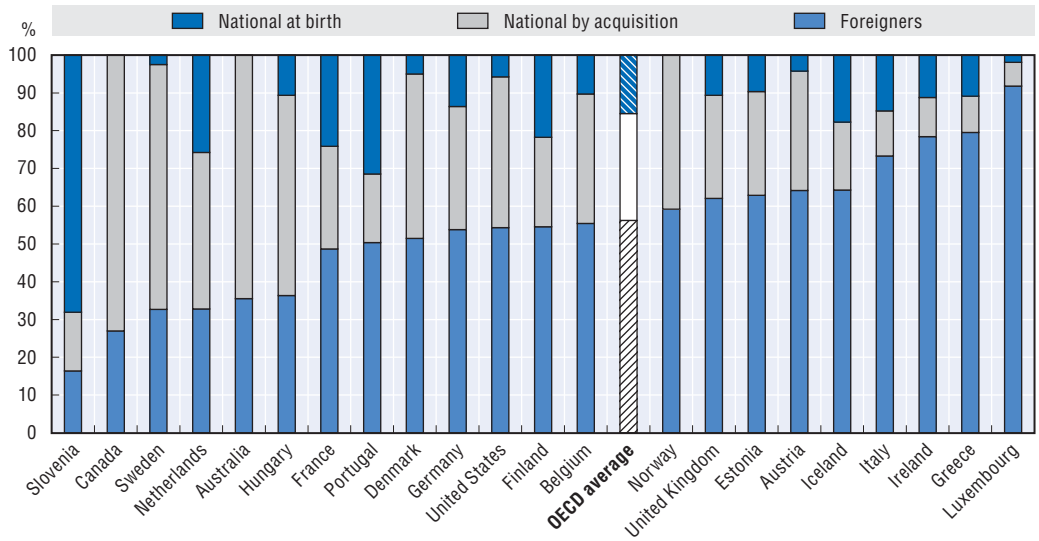
Regions of origin

Forty-two percent of foreign-born persons in the OECD held host-country nationality in 2009-10, two-thirds of which obtained it through naturalisation. However, this situation varies greatly across OECD countries along with the different conditions for acquiring host-country nationality. Figure 1.10 breaks down the immigrant population into three groups:

Figure 1.10. **Distribution of the foreign-born population aged 15 to 64, by nationality, 2008**

Total = 100



Source: European Union Labour Force Survey, 2008 *ad hoc* module (Eurostat); 2006 Canadian Census; Iceland Statistical Office; US Current Population Survey.

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immigrants born with host-country citizenship (foreign-born children of expatriates; repatriates); naturalised immigrants (national by acquisition); and foreigners.

Luxembourg stands out with an extremely high proportion (92%) of foreigners among its immigrant population. Greece follows with foreigners accounting for nearly 80% of its foreign-born population and naturalised citizens for only 10%. Ireland, a recent immigration country, has a similar profile. In contrast, in Slovenia 70% of foreign-born persons were born Slovenes and 15% were naturalised. The share of the foreign-born population holding host-country nationality at birth is also substantial in France (25%), the Netherlands (27%) and Portugal (31%).

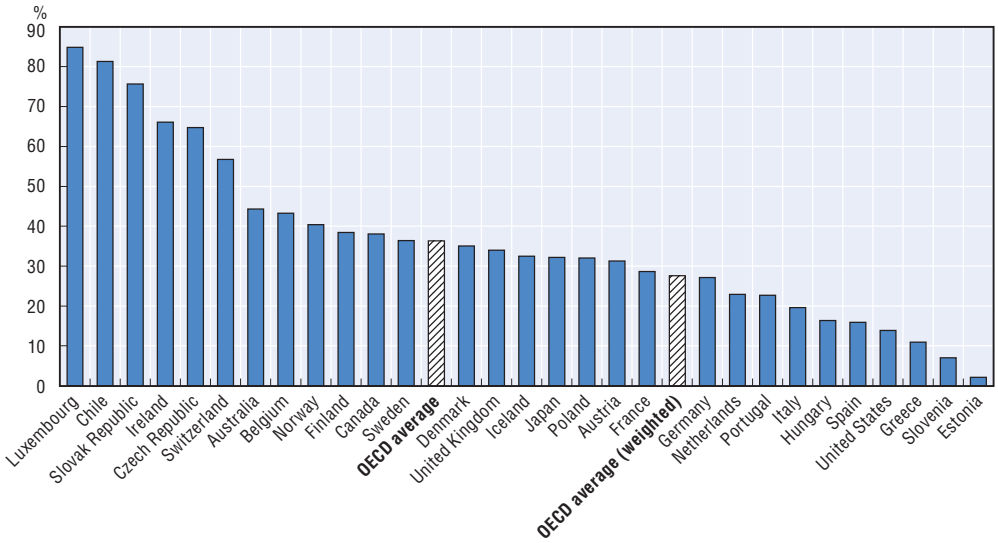
In Australia, Canada, Hungary and Sweden, nearly two-thirds of the foreign-born population hold host-country nationality, primarily through naturalisation.

In 2009-10, a quarter of the OECD foreign-born population aged 15 to 64 was born in an OECD high-income country (Figure 1.11). However, this percentage varies widely across OECD countries: in the Czech Republic, Ireland, Luxembourg and the Slovak Republic, intra-European migration predominates and the percentage of immigrants coming from an OECD high-income country is higher than 60% (85% in Luxembourg; 75% in the Slovak Republic). In contrast, in southern European countries as well as in the United States, this percentage is lower than 20%.

In 2009-10, nearly a third of immigrants living in a given OECD country were of European origin. Persons originating from either Latin America or Asia each accounted for nearly a quarter of the immigrants living in the OECD area. African-born accounted for 12% and persons originally from North America or Oceania for less than 5% of the total. Figure 1.12 shows clearly the extent of regional migration within the OECD area. Nearly half of the immigrants living in Europe, the Americas and in Asia-Oceania, were born in countries within the region, respectively.

Figure 1.11. **Immigrant population aged 15 to 64 born in an OECD high-income country, 2009-10**

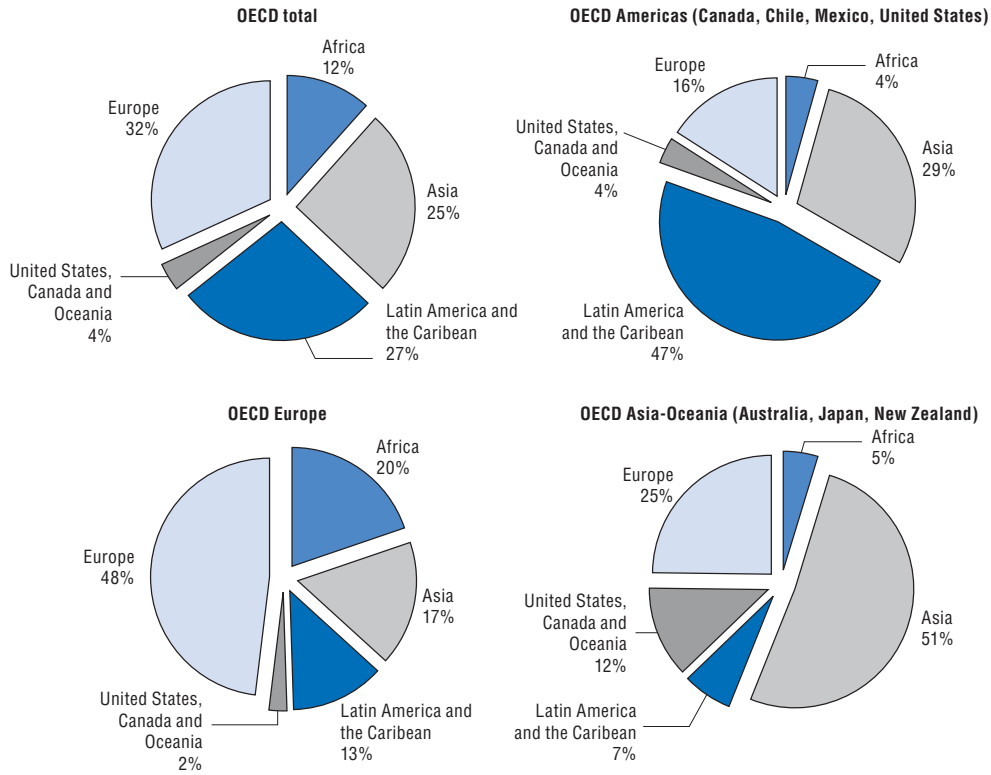
Percentage of the total immigrant population



Source: 2006 Canadian Census; US Current Population Survey; European Union Labour Force Survey (Eurostat); *Database on Immigrants in OECD Countries (DIOC) 2005-06* for other non-European countries.

StatLink http://dx.doi.org/10.1787/888932734552

Figure 1.12. **Distribution of the foreign-born population aged 15 to 64 by region of origin and destination, 2009-10**



Note: OECD countries (excluding Korea and Turkey).

Source: Australian Bureau of Statistics; 2006 Canadian and New Zealand Censuses; 2002 Chilean Census; US Current Population Survey; Iceland Statistics Office; Japanese register of foreigners; 2010 Mexican Census; European Union Labour Force Survey (Eurostat); *Database on Immigrants in OECD Countries* (DIOC) 2005-06 for other non-European countries.

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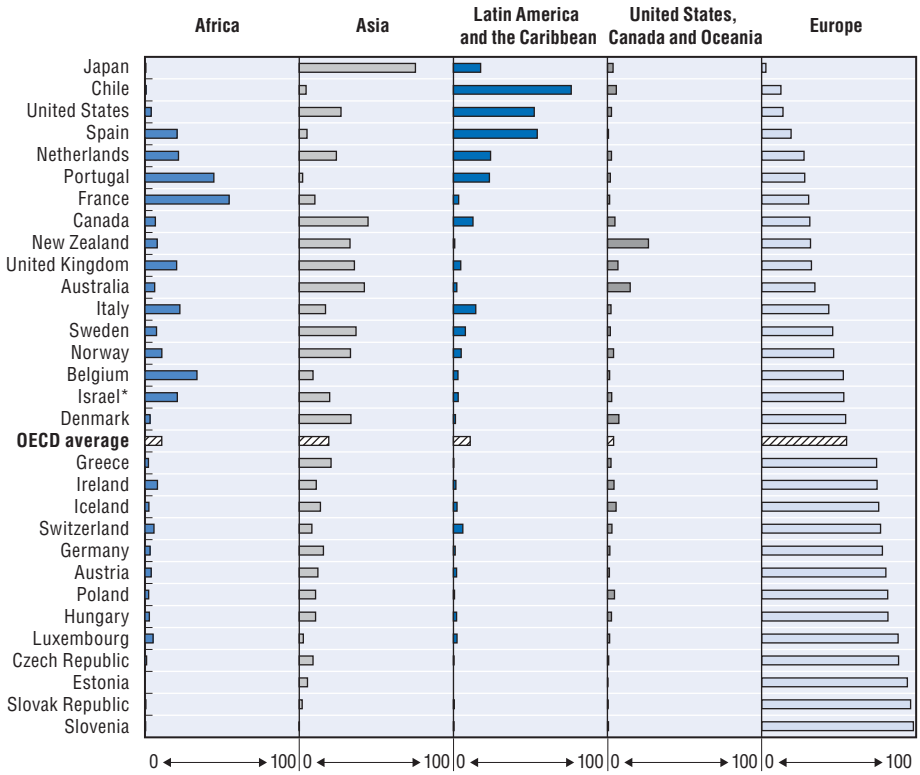
Apart from intra-European migration, which predominates in most European countries (except in southern Europe, Austria, the Czech Republic, France and the Slovak Republic), the country having the largest proportion of European-born immigrants is Israel (53%), but also Australia, Canada and New Zealand. In each of those three countries, immigrants of European origin account for approximately one-third of all immigrants aged between 15 and 64.

France hosts the largest share of African-born persons among its immigrants. Three-quarters of these (including repatriates) were born in the Maghreb countries. Portugal also has a large share of immigrants born in Africa (45%), primarily from Angola, the Cape Verde islands and Mozambique (Figure 1.13). One-third of immigrants in Belgium were born in Africa (mainly Democratic Republic of the Congo and Morocco). Five other countries have a substantial share (between one-fifth and a quarter of the foreign-born population) of African-born immigrants: Italy, Israel, the Netherlands, Spain and the United Kingdom.

Figure 1.13. **Composition of the foreign-born population aged 15 to 64 by region of origin and country of destination, 2009-10**

Percentage of the total foreign-born population



Note: Data for each receiving country are presented in an annex at the end of Chapter 1.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: 2006 Canadian Census; US Current Population Survey; Iceland National Statistical Office; European Union Labour Force Survey (Eurostat); Database on Immigrants in OECD Countries (DIOC) 2005-06 for other non-European countries.

StatLink *http://dx.doi.org/10.1787/888932734590*

Immigration to Japan consists almost exclusively of migrants from Asia. Asia and the Middle East are also the main regions of birth for immigrants in Canada (45%), Australia (42%), the United Kingdom (36%) and New Zealand (33%). The Scandinavian countries also

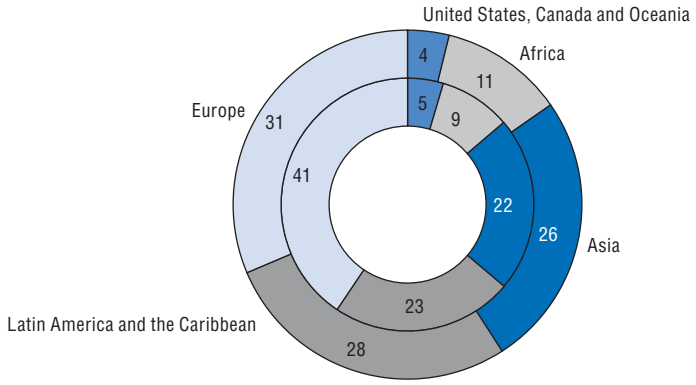
host a large share of immigrants born in this region. The proportion is 37% in Sweden, 34% in Denmark and 32% in Norway. This is partly explained by the importance of humanitarian flows from this region (Iran, Iraq, Pakistan, Syria) to these three destination countries. It is nonetheless in the United States that immigrants from Asia are most numerous, even if they only account for just over a quarter of the foreign-born population.

The bulk of immigrants born in Latin America or the Caribbean are found in the United States (72% of all Latin Americans) or in Spain (12%). Latin Americans represent half of the immigrant population in those two countries. In Chile, three-quarters of immigrants were born in the region, but their actual number remains low. In the Netherlands and Portugal, the share of immigrants born in Latin America or the Caribbean is also high, with nearly 25% of all immigrants in both countries.

Even though Europe is still the leading region of origin for immigrants in OECD countries, the diversification of migratory flows over the decade has led to a reduction of European immigrants' share of the total immigrant population (from 41% in 2000-01 to 31% in 2009-10). The shares of African, Asian and Latin American immigrants have increased from 9%, 22% and 23% to 11%, 26% and 28%, respectively (Figure 1.14).

Figure 1.14. **Distribution of the foreign-born population aged 15 to 64 by region of origin in the OECD area, 2000-01 and 2009-10**

Internal circle: 2000-01, external circle: 2009-10, percentage



Note: Percentages are slightly different from those of Figure 1.12 as 2000-01 data are available only for 30 OECD countries.

Source: Database on Immigrants in OECD Countries (DIOC) 2000 and 2005-06; European Union Labour Force Survey (Eurostat).

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Origin-country languages

The diversity of migrants' origins is also reflected in the multitude of their origin-country languages (Figure 1.15). In 2009, one-quarter of immigrants came from a country in which one of the two main official languages was the same as that of the host country – a fact that should theoretically facilitate integration in their destination country. This percentage has remained stable over the last decade. In the English-speaking OECD countries, the proportion of immigrants who come from a country in which English is one of the two official languages varies between 20% in the United States and over 75% in New Zealand. In Australia, Canada and the United Kingdom, this was the case for around half of the immigrants in 2009-10. Around 90% of immigrants in Chile come from another

Spanish-speaking country, a fact confirming the strong Latin American component of migration to Chile. The importance of past and current flows from former colonies to France and Portugal explain the high percentage of migrants originated from a French and Portuguese-speaking country, respectively. Lastly, multilingualism in Belgium and the importance of migration from neighbouring countries is related to the fact that one out of two immigrants come from a country where Dutch or French is an official language. Conversely, as expected, the percentage is very low in countries whose languages are spoken very rarely beyond their national borders (Central Europe, Denmark, Greece, Germany, Italy and Norway).

When considering the main official language only, the primary languages of immigrants settled in Europe are English (12% of immigrants come from a country where English is one of the two main official languages), Arabic (10%), Spanish (8%), Turkish, German and Polish (6% each). However, these six primary languages account for less than half of the origin-country languages of migrants settled in Europe (Table 1.2). Among these six languages spoken in Europe, Spanish has the highest growth rate, because the number of immigrants coming from Spanish-speaking countries has more than doubled since 2000. Available data broken down by duration of stay and country of birth (DIOC, 2005-06) show that over 16% of migrants who settled in a European country during the first half of the 2000s came from Spanish-speaking countries.

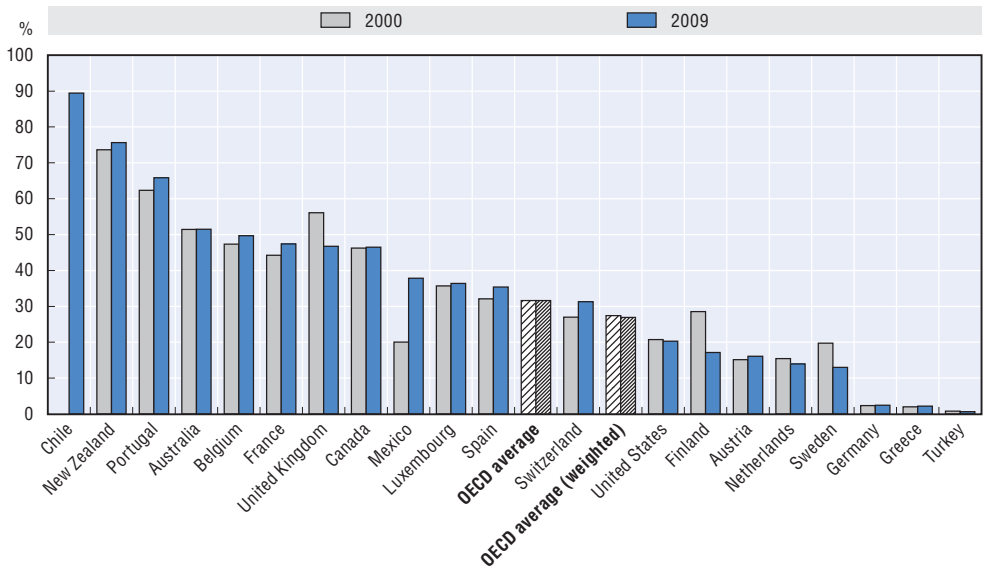
Box 1.2. **Sources of available data on origin-country languages**

Proficiency in the host-country language is a key factor for a smooth integration into a country. However, assessing the written and oral language proficiency of migrants requires implementing specific cognitive tests which are scarcely available. Longitudinal Immigration Surveys in Australia, Canada and New Zealand include modules on self-reported language proficiency. But those surveys, as well as the French Longitudinal Survey of the Integration of New Arrivals (ELIPA), only cover limited cohorts of immigrants and therefore are not representative of the entire immigrant population. Finally, some census data include questions on the language usually spoken at home as well as on country language proficiency. However, this information is available for only a few OECD countries.

This section seeks to compare the share of immigrants across countries that have some familiarity with the host-country official language(s). For that purpose, the Trade, Production and Bilateral Protection Database of the french *Centre d'Etudes Prospectives et d'Informations Internationales* (CEPII) has been used. It provides information on the three main official languages of all countries. This dataset considers "official" some languages that are still widely used in the country even if they are not considered official languages (French in North Africa, for example). In the following section, the two main official languages of the host country are compared with the two main official languages of the origin country. For part of the migrants, the coincidence of the origin and host country official languages (French in Algeria, English in India, for example) may not be associated with good language proficiency. The following outcomes should therefore not be interpreted as information on language proficiency. Linguistic proximity of some official languages is not taken into account. This results in considering that Czech, Danish, Hungarian, Norwegian and Slovak languages are only spoken by native-born in the Czech Republic, Denmark, Hungary, Norway and the Slovak Republic, respectively.

Figure 1.15. **Immigrants originating from a country with the same official language as the country of residence, 2000 and 2009**

Percentage of the total immigrant population



Note: Only the two main official languages of the origin and of the host country are taken into account.
Source: OECD International Migration Database; CEPII Trade, Production and Bilateral Protection Database.

StatLink http://dx.doi.org/10.1787/888932734628

Table 1.2. **Top ten immigrant official languages in the main OECD regions, 2000 and 2009**

Percentage of the total stock of immigrants (excluding unknown country of birth)

OECD					**Europe**				
	2000		2009			2000		2009	
Spanish	22.3	*(22.3)*	24.6	*(24.1)*	English	13.8	*(10.8)*	11.8	*(9.2)*
English	22.2	*(16.6)*	19.8	*(14.4)*	Arabic	9.6	*(1.6)*	9.9	*(1.8)*
Arabic	5.3	*(1.5)*	5.7	*(1.7)*	Spanish	5.0	*(4.9)*	8.2	*(7.6)*
German	5.5	*(5.2)*	4.3	*(3.9)*	Turkish	7.4	*(7.9)*	6.5	*(6.8)*
Standard chinese	3.1	*(4.5)*	3.5	*(4.5)*	German	7.5	*(6.9)*	6.2	*(5.6)*
Polish	3.2	*(3.2)*	3.4	*(3.4)*	Polish	5.2	*(5.2)*	6.0	*(6.0)*
French	2.9	*(9.2)*	3.1	*(9.0)*	Russian	4.2	*(5.8)*	5.8	*(7.6)*
Russian	2.3	*(3.0)*	3.1	*(3.8)*	French	4.3	*(14.3)*	5.0	*(14.9)*
Turkish	3.2	*(3.5)*	3.1	*(3.2)*	Portuguese	5.3	*(5.3)*	4.7	*(4.7)*
Portuguese	3.0	*(3.0)*	2.9	*(2.9)*	Romanian	2.8	*(2.8)*	4.6	*(4.6)*
Australia and New Zealand					**Canada and the United States**				
	2000		2009			2000		2009	
English	52.2	*(47.7)*	51.9	*(44.1)*	Spanish	39.0	*(39.1)*	42.6	*(42.5)*
Standard chinese	4.4	*(8.8)*	6.8	*(11.5)*	English	23.7	*(15.8)*	22.1	*(14.8)*
Arabic	3.5	*(1.9)*	4.0	*(2.5)*	Standard chinese	4.8	*(6.4)*	5.0	*(6.1)*
Italian	4.8	*(4.8)*	3.4	*(3.4)*	German	4.3	*(4.2)*	2.8	*(2.7)*
Vietnamese	3.4	*(3.4)*	3.2	*(3.2)*	Vietnamese	3.0	*(3.0)*	2.6	*(2.6)*
Bosnian, Croatian, Serbian	3.9	*(3.9)*	3.2	*(3.2)*	Korean	2.6	*(2.6)*	2.6	*(2.6)*
German	3.2	*(2.9)*	2.7	*(2.5)*	Arabic	2.3	*(1.4)*	2.3	*(1.6)*
Greek	3.1	*(2.6)*	2.3	*(2.0)*	Italian	2.4	*(2.4)*	1.9	*(1.9)*
Malay	1.9	*(0.0)*	2.2	*(0.1)*	French	2.2	*(5.9)*	1.8	*(4.6)*
Dutch	2.4	*(2.2)*	1.8	*(1.7)*	Portuguese	1.5	*(1.5)*	1.6	*(1.6)*

Note: Figures take only into account the main official language of the country of origin. Figures in parenthesis give the corresponding per cent when taking into account the second official language instead of the first one. Immigrants in France born French in North Africa are excluded.
Source: OECD International Migration Database; CEPII *Trade, Production and Bilateral Protection Database*.

StatLink http://dx.doi.org/10.1787/888932736357

In contrast to the diversity of immigrant official languages in Europe, Spanish (43%) and English (22%) predominate in the United States. English is also widely predominant in Australia (51%) and New Zealand (76%). Nevertheless, standard Chinese has been making inroads since 2000. Over 15% of immigrants entering Australia and New Zealand from 2000 to 2005 came from countries in which Chinese is an official language (China, Malaysia, Singapore), versus only 7% of the total stock of immigrants present in either country in 2009.

1.2. Native-born offspring of immigrants

Defining the native-born offspring of immigrants

This section presents the socio-demographic characteristics of native-born offspring of immigrants, which in this publication consists of native-born persons with both parents born abroad. Their outcomes are compared with those of native-born persons one of whose parents is native-born. The data presented are limited to the age group 15 to 34, since the number of native-born offspring of older aged immigrants in most OECD countries is small. In Chapters 2 to 9, labour market outcomes are also presented for the age group 15 to 34, who are *not in education*. Educational attainment, on the other hand, is presented for persons aged 25 to 34 when formal education is generally completed.

For comparison purposes, some references are also made in this publication to immigrants aged 15 to 34. However, it has to be kept in mind that this latter group is very heterogeneous within and across countries. Depending on their distribution by age at arrival and by category of entry, their characteristics may look like those of native-born offspring of immigrants. For instance, foreign-born children of immigrants, arrived in the host country through the framework of family reunification, are likely to have been raised and educated in the country of residence and therefore have similar characteristics as those of native-born offspring of immigrants. Conversely, immigrant youth who arrived alone in the host country at an older age may face specific obstacles, as described below. The lack of information on the age at arrival and category of entry limits the relevance of the comparisons made.

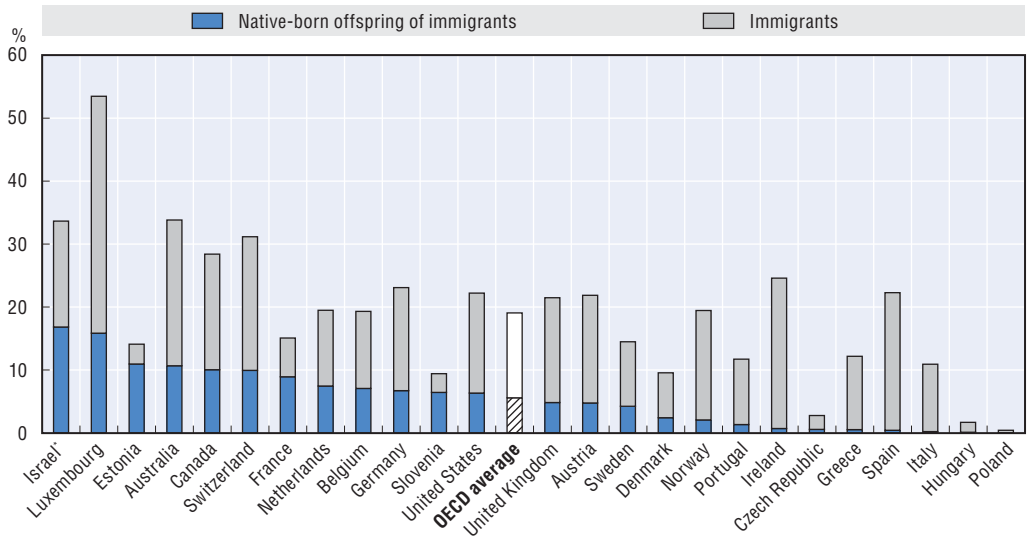
Size and composition by gender and age

In 2008 in OECD countries, on average, 5.4% of persons aged 15 to 34 were native-born offspring of immigrants (11.3 million) and about 14.4% of the same age group were foreign-born (34 million). The native-born offspring of immigrants represented 4% of the working-age population (aged 15 to 64).

The largest populations of native-born offspring of immigrants aged 15 to 34 are observed in the United States (5 million), France and Germany (1.3 million each). As percentages of the total population of this age, the shares are especially high in Luxembourg and Israel (16% each), as well as in Australia and Estonia (11% each) (Figure 1.16 and Table 1.3). In most OECD countries, the stock of immigrants is higher than the one of native-born offspring of immigrants. The exceptions are Estonia, Slovenia and to a lesser extent France. In the latter country, the native-born offspring of immigrants include a significant share of descendants of repatriates from former colonies. In Ireland and Spain and to a lesser extent in Greece and Italy, where migration is a relatively recent phenomenon, the share of immigrants among 15- to 34-year-olds is large, while there is almost no native-born offspring of immigrants.

Figure 1.16. **Immigrants and native-born offspring of immigrants aged 15 to 34, 2008**

Percentage of the population aged 15 to 34



* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: Australian Survey of Education and Training 2009; 2006 Canadian Census; European Union Labour Force Survey, 2008 ad-hoc module (Eurostat); Israeli Labour Force Survey 2009; Norwegian Population Register 2010; US Current Population Survey 2008.

StatLink *http://dx.doi.org/10.1787/888932734647*

Table 1.3. **Native-born offspring of immigrants aged 15 to 34, 2008**

	Total (thousands)	% of the population aged 15-34	% of women
Australia	627.8	10.7	51.1
Austria	96.4	4.7	51.4
Belgium	185.3	7.1	51.3
Canada	823.0	10.0	49.0
Czech Republic	17.3	0.6	38.3
Denmark	30.4	2.4	41.9
Estonia	42.7	10.9	50.9
France	1 314.8	8.9	51.0
Germany	1 269.3	6.7	49.3
Greece	14.5	0.5	45.6
Hungary	3.4	0.1	44.6
Ireland	9.7	0.7	46.7
Israel*	362.7	15.9	48.1
Italy	30.7	0.2	53.2
Luxembourg	19.5	15.8	51.2
Netherlands	294.3	7.5	46.9
Norway	26.6	2.2	48.4
Poland	5.8	0.1	44.6
Portugal	38.3	1.3	55.4
Slovenia	35.0	6.5	44.0
Spain	51.0	0.4	55.9
Sweden	98.3	4.3	47.1
Switzerland	177.3	9.9	47.2
United Kingdom	719.1	4.8	51.1
United States	5 053.7	6.5	48.3
OECD average (weighted)	***11 346.8***	***5.4***	***49.2***
OECD average (unweighted)	***11 346.8***	***5.5***	***48.5***

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: Australian Survey of Education and Training 2009; 2006 Canadian Census; European Union Labour Force Survey, ad-hoc module 2008 (Eurostat); Israeli Labour Force Survey 2009; Norwegian Population Register 2010; US Current Population Survey 2008.

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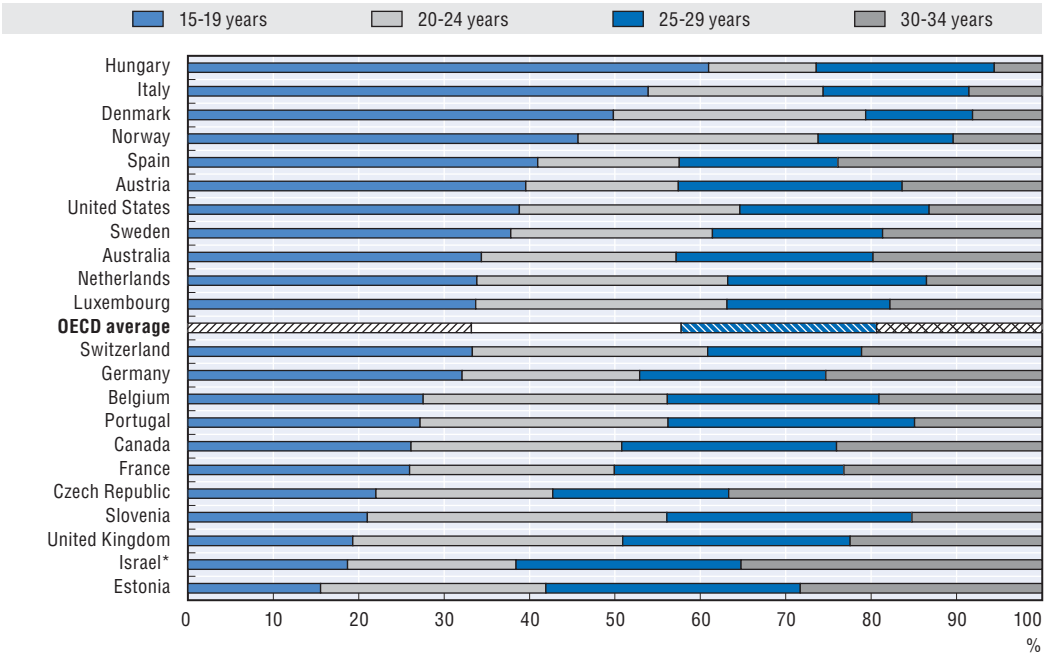
Historical migration patterns are also reflected in the age distribution of native-born offspring of immigrants in the OECD. On average, one-third of native-born offspring of immigrants are between 15 and 19 years old, while only one out of five is aged 30 to 34. The share of young persons (15 to 19) is particularly high in Hungary, but also in Denmark and Italy where more than half of the native-born offspring of immigrants are aged 15 to 19 (Figure 1.17). Compared with the offspring of native-born parents, native-born offspring of immigrants are overrepresented in the youngest age group and underrepresented in the age group 30 to 34 in most OECD countries (Figure 1.18). In four OECD countries, namely in Estonia, Israel and to a lesser extent in Canada and the United Kingdom, the offspring of the native-born are overrepresented among the youngest age group 15 to 19.

Figure 1.17. **Age distribution of native-born offspring of immigrants aged 15 to 34, 2008**

Total = 100



* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: Australian Survey of Education and Training 2009; 2006 Canadian Census; European Union Labour Force Survey 2008, ad-hoc module (Eurostat); Israeli Labour Force Survey 2009; Norwegian Population Register 2010; US Current Population Survey 2008.

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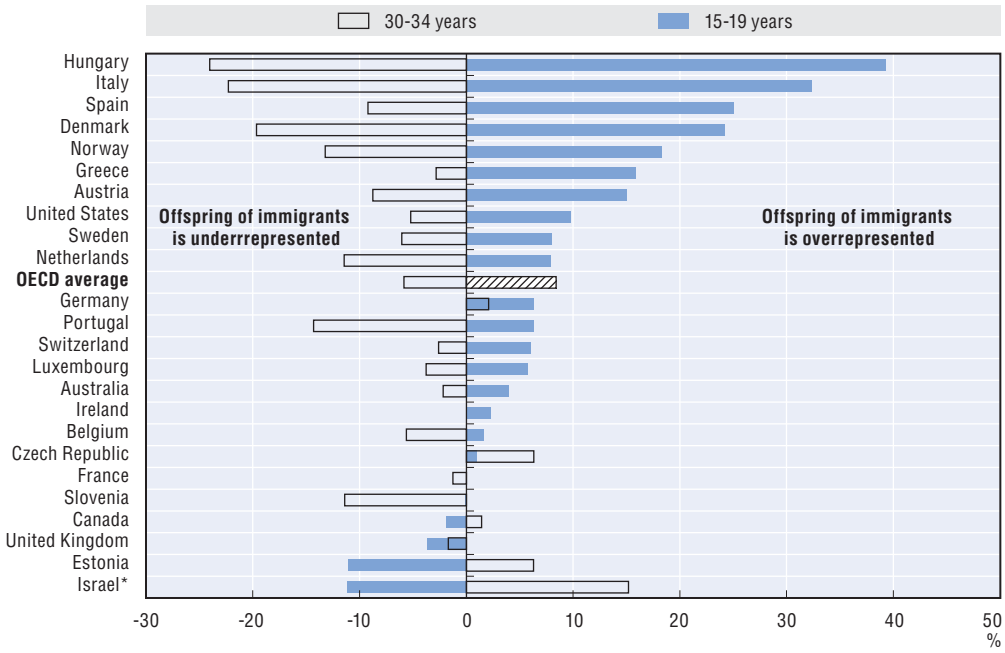
Parental origin

On average in 2008, about 39% of native-born offspring of immigrants had at least one parent born in another OECD high-income country (Figure 1.19). The parental origin of native-born offspring of immigrants, however, are very diverse across the OECD. In two OECD countries, the Czech Republic and Luxembourg, the share of native-born offspring of immigrants having at least one parent born in an OECD high-income country is particularly high (over 90%). In the Czech Republic, most immigrant parents were born within the current territory of the Slovak Republic. Moreover, in Australia and Switzerland, about three out of four native-born offspring of immigrants have parents born in an OECD high-

Figure 1.18. **Age distribution of native-born offspring of immigrants compared with that of offspring of native-born, age groups 15 to 19 and 30 to 34, 2008**

Difference in percentage points



* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: Australian Survey of Education and Training 2009; 2006 Canadian Census; European Union Labour Force Survey 2008, ad-hoc module (Eurostat); Israeli Labour Force Survey 2009; Norwegian Population Register 2010; US Current Population Survey 2008.

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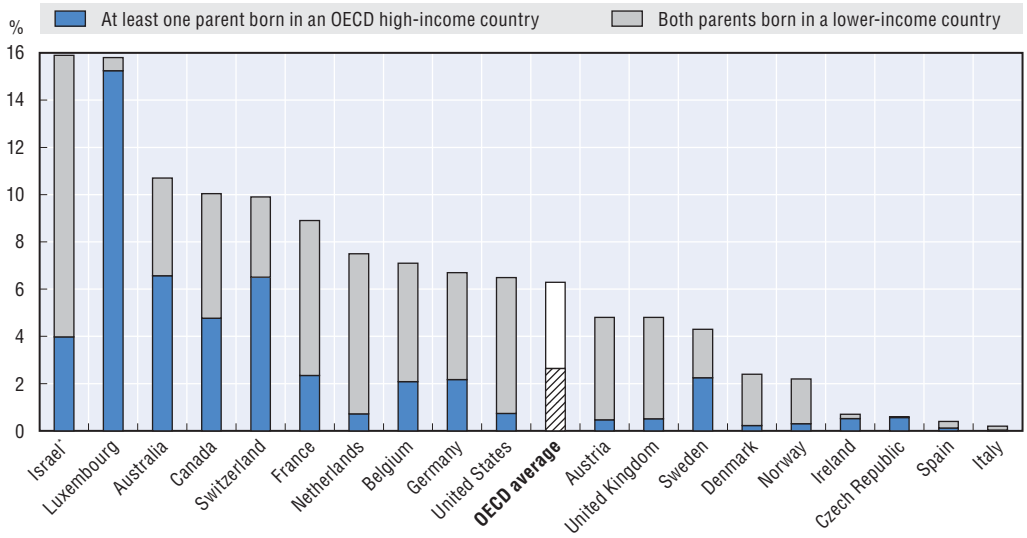
Figure 1.19. **Native-born offspring of immigrants aged 15 to 34, by parents' place of birth, 2008**

Percentage of all persons aged 15 to 34



* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: Australian Survey of Education and Training 2009; 2006 Canadian Census; European Union Labour Force Survey, 2008 ad-hoc module (Eurostat); Israeli Labour Force Survey 2009; Norwegian Population Register 2010; US Current Population Survey 2008.

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income country. The lowest shares (less than 10%) are observed in Austria, Denmark and the Netherlands.

Table 1.4 illustrates in more detail the differences with respect to parents' regions of origin. On average (weighted OECD averages), the highest share is observed for native-born offspring whose parents were born in the Caribbean, Latin America and Mexico (30.7% of the total native-born offspring of immigrants), mainly driven by the high number of descendants of persons from this region living in the United States. According to the unweighted OECD average (assuming each country has the same weight), native-born offspring of immigrants whose fathers were born in the Caribbean, Latin America or Mexico represent 7.4% of the total. In general, the origins of foreign-born parents are

Table 1.4. **Parental origin of the native-born offspring of immigrants aged 15 to 34, 2008**

	Total (thousands)	At least one parent born in an OECD high-income country (%)	Origin of the father Total = 100					
			Africa	Asia	Latin America and the Caribbean	Non-OECD European countries	OECD high-income country	Other
Australia	627.8	61.4	13.0	23.9	3.4	–	56.9	2.8
Austria	96.4	9.8	–	–	–	57.2	7.6	30.8
Belgium	185.3	29.3	46.1	3.3	–	19.2	28.3	2.5
Canada	823.0	47.5	4.6	27.9	15.2	1.5	42.3	7.7
Czech Republic	17.3	93.9	–	4.7	–	–	92.7	0.0
Denmark	30.4	9.2	9.9	24.1	–	47.1	9.3	9.5
Estonia	42.7	–	–	1.5	–	97.9	0.5	0.1
France	1 314.8	26.3	61.3	6.4	1.2	5.3	24.0	1.9
Germany	1 269.3	32.3	1.6	3.1	–	51.5	31.8	11.9
Greece	14.5	–	–	18.6	–	68.5	7.2	3.7
Hungary	3.4	–	–	–	–	77.8	–	–
Ireland	9.7	73.8	–	16.8	–	7.1	72.8	–
Israel*	362.7	25.0	40.8	20.4	. .	. .	30.8	8.0
Italy	30.7	17.7	29.8	41.9	2.9	5.7	13.9	5.8
Luxembourg	19.5	96.5	–	–	–	–	94.6	–
Netherlands	294.3	9.6	23.5	13.4	21.3	30.8	8.0	3.0
Norway	26.6	13.8	11.6	60.0	0.6	15.3	12.4	0.0
Poland	5.8	–	–	–	–	72.7	–	19.6
Portugal	38.3	–	91.7	–	–	–	–	–
Slovenia	35.0	–	–	–	–	65.9	–	34.1
Spain	51.0	30.9	21.7	9.6	40.3	0.0	26.8	1.7
Sweden	98.3	52.3	6.0	20.4	3.1	16.2	53.2	1.2
Switzerland	177.3	65.7	2.7	3.2	1.2	14.5	62.9	15.5
United Kingdom	719.1	10.7	17.6	61.4	6.4	3.2	9.5	1.9
United States	5 053.7	11.3	2.4	21.9	62.9	1.3	10.4	1.1
OECD average (weighted)	**11 346.8**	**22.9**	**13.8**	**19.8**	**30.7**	**10.2**	**21.6**	**3.9**
OECD average (unweighted)	**11 346.8**	**29.0**	**15.7**	**15.9**	**7.4**	**25.8**	**28.5**	**6.6**

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Note: OECD averages (unweighted) take into account percentages that are not presented individually because of inadequate sample sizes. Not taking into account these percentages would result in overestimating the OECD average.

Source: Australian Survey of Education and Training 2009; 2006 Canadian Census; European Union Labour Force Survey, 2008 ad-hoc module (Eurostat); Israeli Labour Force Survey 2009; Norwegian Population Register 2010; US Current Population Survey 2008.

StatLink *http://dx.doi.org/10.1787/888932735939*

mainly determined by historical migration patterns and ties between origin and destination countries. In Belgium and France, for example, the native-born offspring of immigrants are mainly descendants of migrants from Africa, in the United Kingdom from Asia, and in Spain and the United States from the Caribbean, Latin America and Mexico.

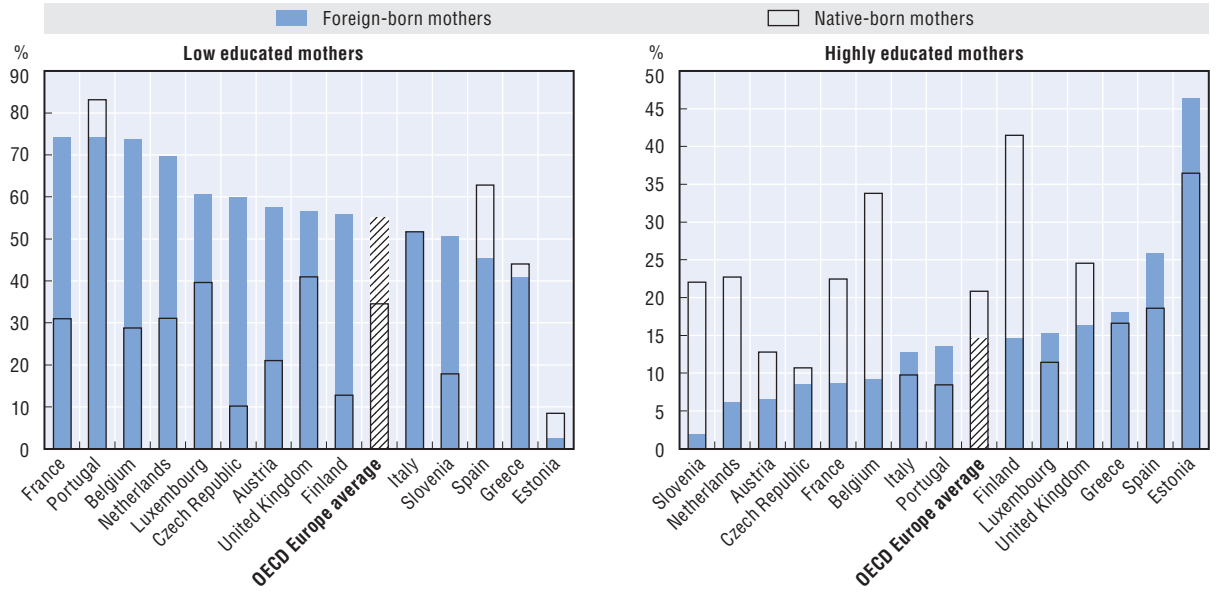
Parental educational attainment

The integration of native-born offspring of immigrants is in part determined by the socio-economic background of their parents. Ideally, it would be of interest to consider to what extent the educational attainment and occupation of parents are associated with differences in outcomes for offspring of natives and of immigrants of the same educational attainment. However, this information is rarely available in national labour force surveys. Some information on parents' educational attainment level can be obtained from labour force surveys for children who still live with their parents. It is presented for mothers of children aged 13 to 17, virtually all of whom still live with their parents. These data can provide some indication of parental education, but the group's young age makes it of little use for analyses of labour market or other outcomes.

In selected European Union countries for which data are presented in Figure 1.20, two-thirds of foreign-born mothers of native-born offspring of immigrants have low educational attainment. Over 70% of foreign-born mothers in Portugal, Belgium, France and the Netherlands have low education levels, representing a much higher share than native-born mothers in the three latter countries. Only in southern European countries (Greece, Portugal and Spain) and Estonia is the share of low-educated mothers higher among the native-born than among the foreign-born. The highest shares of high-educated,

Figure 1.20. **Educational attainment level of foreign- and native-born mothers of native-born children aged 13 to 17 living in the same household, 2008**

Percentage



Source: European Union Labour Force Survey, 2008 ad hoc module (Eurostat).

StatLink http://dx.doi.org/10.1787/888932734723

foreign-born mothers are observed in Estonia (47%), Spain (26%), Greece (18%) and the United Kingdom (16%). The gaps between children with foreign-born mothers and those with native-born mothers are smallest in southern European countries, notably in Greece, Italy and Portugal, as well as in Luxembourg (less than 5 percentage points) and are especially pronounced in Belgium, Finland and Slovenia (more than 20 percentage points).

1.3. Immigrant households

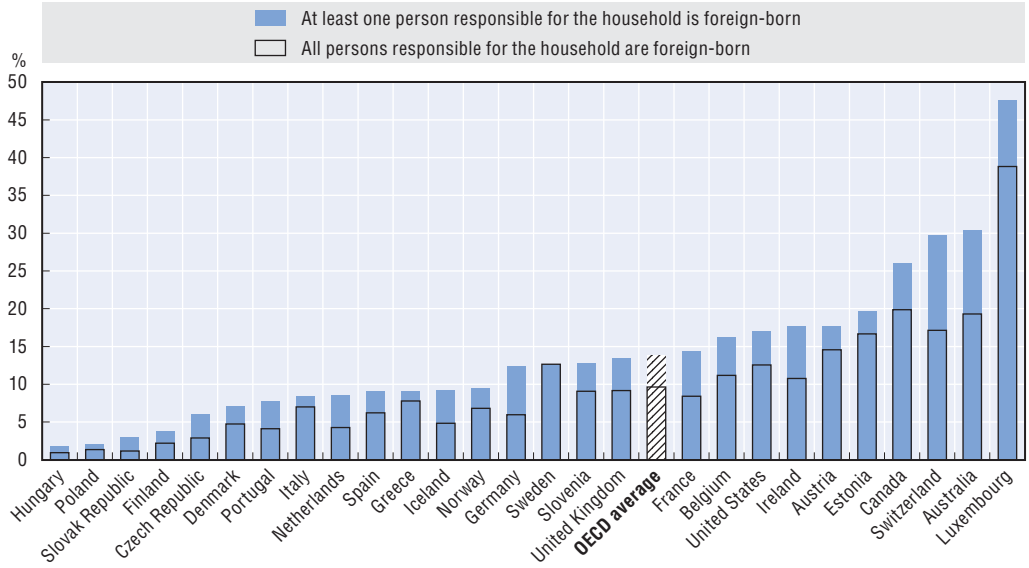
Defining the immigrant household

This section defines the "immigrant household" and discusses its characteristics as opposed to the "native-born household". Figure 1.21 presents two alternative definitions of an immigrant household: 1) a household in which at least one of the two persons responsible for the household is an immigrant; and 2) a household in which all persons reported as responsible for the household (one or two persons) are immigrants. The number of immigrant households is significantly lower if the definition is limited to households in which both persons of reference are immigrants. The differential between the two definitions is an approximation of the relative extent of mixed households. According to this approximation, mixed households (having one person of reference born in the country of residence and the other born abroad) account for a large proportion of immigrant households (where at least one of the two persons of reference is an immigrant) in the Czech and Slovak Republics, Germany and the Netherlands (between 50% and 60%) and to a lesser extent in Finland, France, Iceland, Portugal and Switzerland (between 40% and less than 50%).

In this section, the most restrictive definition (households in which all persons responsible for the dwelling are foreign-born) has been adopted, since outcomes of mixed households tend to converge with those of households in which all persons of reference are

Figure 1.21. **Immigrant households according to two definitions, 2009**

Percentage of all households



Source: European Union Statistics on Income and Living Conditions (EU-SILC); Swiss Household Panel (SHP); Household Income and Living Dynamics in Australia (HILDA); Canadian Survey of Labour and Income Dynamics (SLID); American Community Survey (ACS).

StatLink http://dx.doi.org/10.1787/888932734742

native-born. The size and characteristics of immigrant households are compared with those of the so-called "native-born" households, which are defined as households in which at least one responsible household member was born in the country of residence.

Size and composition of immigrant households

Apart from the atypical case of Luxembourg, in which nearly 39% of households are immigrant, the proportion of immigrant households is highest in Canada (20%), Australia (19%) and Switzerland (17%).

The composition of immigrant households is highly variable from one host country to another. In Poland, over 70% of immigrant households consist of a single person. This proportion ranges from 50% to 60% in Denmark, Germany, Iceland, the Netherlands and Norway. Over 40% of immigrant households in Ireland, southern Europe and the United States are composed of households having more than one adult with one or more children (Table 1.5).

On average, immigrant households, as opposed to native-born households, are more frequently composed either of a "single person" or "more than one adult with one child or

Table 1.5. **Composition of immigrant households, 2009**

	Immigrant households				Difference (+/–) with the native-born households +: higher than the native-born –: lower than the native-born			
	No child in the household		Child(ren) in the household		No child in the household		Child(ren) in the household	
	Single person	More than one adult without children	Single person with one or more children	More than one adult with one or more children	Single person	More than one adult without children	Single person with one or more children	More than one adult with one or more children
	Total = 100				Difference in percentage points			
Australia	26.6	47.4	3.3	22.7	2.5	4.2	–1.2	–5.6
Austria	35.7	26.3	*4.3*	33.7	–0.1	–13.2	*1.9*	11.4
Belgium	40.7	26.3	*5.6*	27.4	7.0	–14.7	*1.9*	5.8
Canada	33.7	37.1	*3.5*	25.7	–4.2	–0.5	*–1.9*	6.7
Czech Republic	46.2	35.2	–	–	22.3	–11.5	–	–
Denmark	53.8	–	–	25.8	8.1	*–15.8*	–	6.2
Estonia	38.7	48.3	–	–	5.5	11.8	–	–
Finland	43.8	–	–	30.2	4.0	–	–	9.9
France	36.9	29.8	6.5	26.8	2.8	–8.7	2.8	3.2
Germany	54.1	28.6	*3.1*	14.3	15.5	–11.8	*–0.2*	–3.5
Greece	18.9	32.5	–	46.2	–1.5	–20.0	–	20.0
Hungary	*36.1*	*33.8*	–	*28.0*	*12.1*	*–12.1*	–	*0.3*
Iceland	*51.0*	*19.8*	–	*22.3*	*22.6*	*–14.4*	–	*–9.7*
Ireland	17.4	25.3	*9.0*	48.4	–4.9	–15.2	*3.1*	17.1
Italy	33.2	22.1	4.8	39.9	3.8	–22.0	2.7	15.5
Luxembourg	28.9	32.0	3.4	35.8	–0.1	–11.8	1.5	10.3
Netherlands	58.7	15.0	*7.6*	18.6	24.0	–23.6	*5.2*	–5.5
Norway	55.5	14.8	*8.8*	21.0	14.9	–16.3	*2.7*	–1.2
Poland	70.7	23.2	–	–	45.0	–17.4	–	–
Portugal	*19.2*	*28.8*	–	46.2	*1.7*	*–20.0*	–	14.7
Slovenia	23.7	49.9	–	25.5	3.2	1.8	–	–4.1
Spain	16.9	34.3	*2.8*	46.1	–1.8	–17.0	*1.7*	17.0
Sweden	37.0	30.6	*6.2*	26.1	–5.7	–2.9	*2.1*	6.4
Switzerland	45.0	30.1	–	22.9	9.4	–8.3	–	–0.2
United Kingdom	30.3	33.3	*4.6*	31.9	–0.8	–7.5	*–0.1*	8.4
United States	21.6	31.8	5.5	41.1	–6.7	–8.2	–0.4	15.2
OECD average	**37.5**	**29.6**	**4.6**	**29.3**	**6.9**	**–11.0**	**1.2**	**3.3**

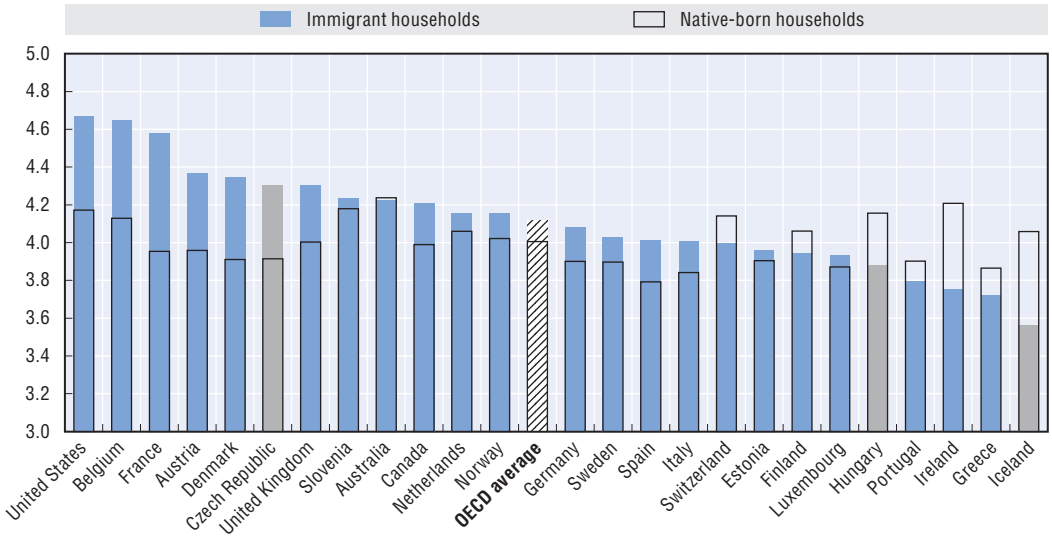
Note: The hyphen (–) symbol indicates unreliable estimates owing to a sample size issue; estimates in italics should also be considered with caution owing to a sample size issue.

Source: European Union Statistics on Income and Living Conditions (EU-SILC); Swiss Household Panel (SHP); Household Income and Living Dynamics in Australia (HILDA); Canadian Survey of Labour and Income Dynamics (SLID); American Community Survey (ACS).

StatLink http://dx.doi.org/10.1787/888932735958

more" than native-born households. The proportion of single persons is nonetheless lower than that for native-born households in Greece, Ireland, Spain, Sweden and the United States. Households composed of more than one adult with children are generally overrepresented among immigrant households. The differentials are especially pronounced in southern European countries, but also in Ireland, the United States and to a lesser extent in Austria. The average size of immigrant households with more than one adult with children is greater than that of native-born households in most countries. In Belgium, France and the United States, the average size of this type of household is greater than 4.6 persons among immigrant households (Figure 1.22) – a figure that is largely higher than that observed among native-born households. In Ireland and Norway, nearly 10% of immigrant households are composed of single persons with a child.

Figure 1.22. **Average size of immigrant and native-born households with children and more than one adult, 2009**



Note: Estimates shaded in grey should be interpreted with cautious due to sample size issue.
Source: European Union Statistics on Income and Living Conditions (EU-SILC); Swiss Household Panel (SHP); Household Income and Living Dynamics in Australia (HILDA); Canadian Survey of Labour and Income Dynamics (SLID); American Community Survey (ACS).

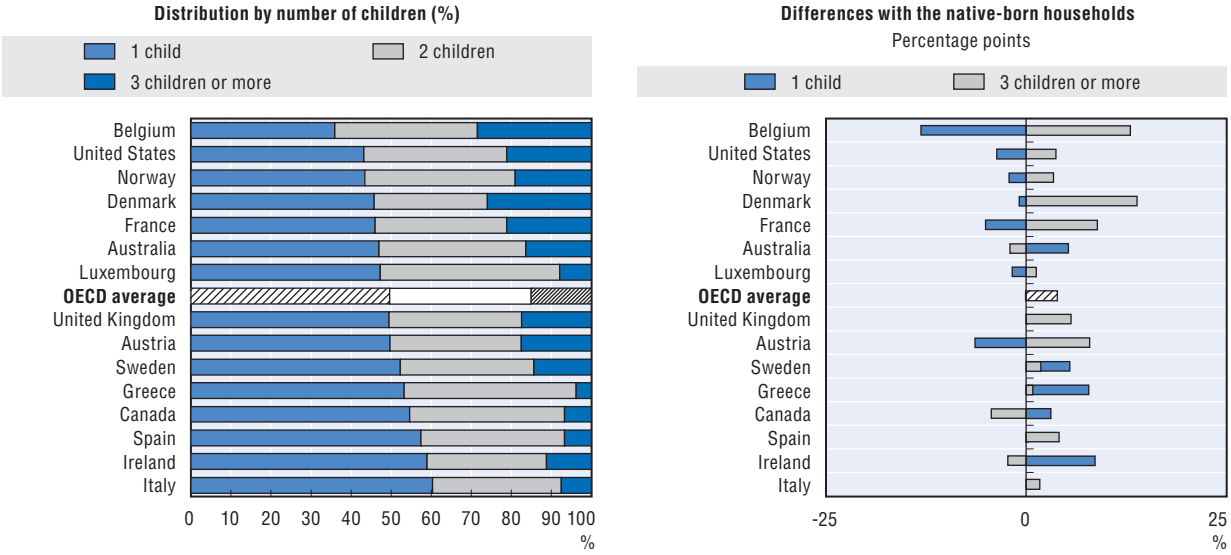
StatLink http://dx.doi.org/10.1787/888932734761

Presence of children

In the OECD, the average number of children is slightly higher among immigrant households than among the native-born. The proportion of households with three or more children is systematically higher among immigrant households than among the native-born, except in Australia, Canada and Ireland (Figure 1.23).

When the immigrant population is younger on average to that of the native-born, the proportion of young children (aged 6 years or less) tends also to be higher. This is the case in Belgium, Finland, Germany and Italy (Figure 1.24).

Figure 1.23. **Composition of immigrant households with children by number of children aged 0 to 14, 2009**



Source: European Union Statistics on Income and Living Conditions (EU-SILC); Household Income and Living Dynamics in Australia (HILDA); Canadian Survey of Labour and Income Dynamics (SLID); American Community Survey (ACS).

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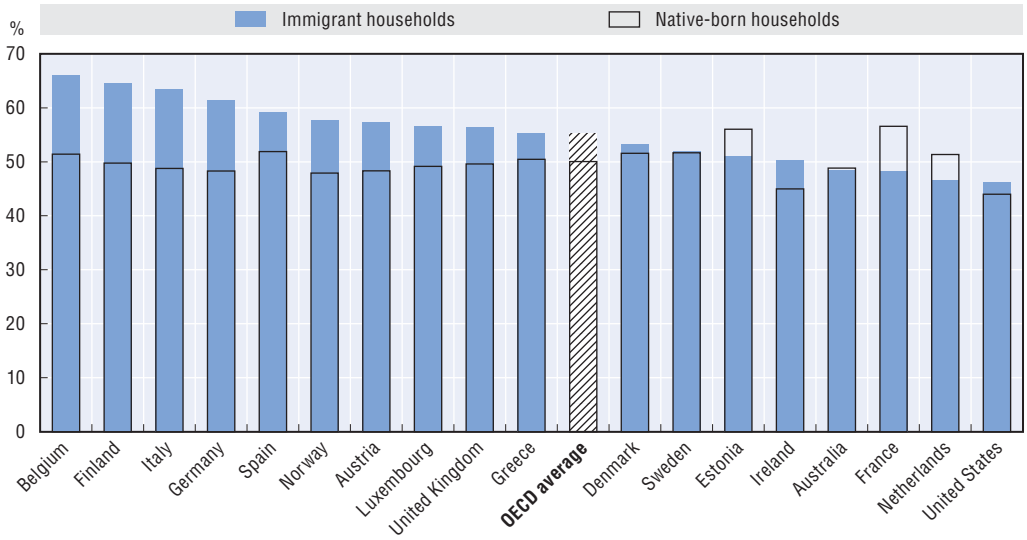
Figure 1.24. **Share of immigrant and native-born households with children aged less than 6 among households with children, 2009**

Percentage of all households with children



Note: Children aged less than five in Australia and the United States.

Source: European Union Statistics on Income and Living Conditions (EU-SILC); Household Income and Living Dynamics in Australia (HILDA). United States: Current Population Survey.

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Degree of urbanisation of the area of residence

Foreign-born households are systematically overrepresented in highly urbanised areas. At the individual level, on average 60% of foreign-born persons live in the most highly urbanised areas of their host countries, versus 44% of the native-born population – a difference of 16 percentage points (Table 1.6). The concentration of immigrant populations

Table 1.6. Foreign-born population aged 15 to 64 living in densely populated areas in 2009-10

	% of the total foreign-born population	Difference (+/–) with native-born +: higher than native-born –: lower than native-born
Australia	81.7	18.5
Austria	62.6	32.3
Belgium	76.2	25.2
Canada	94.9	17.4
Czech Republic	46.2	11.9
Denmark	51.4	17.9
Estonia	66.7	24.7
Finland	51.4	25.2
France	70.9	27.2
Germany	67.0	18.5
Greece	50.6	11.0
Hungary	46.1	13.7
Ireland	39.7	5.8
Israel*	94.8	4.4
Italy	46.5	3.5
Luxembourg	41.6	12.1
Netherlands	83.6	21.1
Norway	16.2	7.3
Poland	52.6	11.6
Portugal	59.4	15.9
Slovak Republic	48.7	25.8
Slovenia	28.9	11.4
Spain	56.3	6.3
Sweden	36.2	15.5
Switzerland	82.1	12.7
United Kingdom	85.3	20.3
United States	84.9	22.6
OECD average	**60.1**	**16.3**

Note: Densely populated areas according to the Eurostat definition; ABS classification; 100 largest metropolitan areas in the United States; census metropolitan area and census agglomerations in Canada.
* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.
Source: European Union Labour Force Survey (Eurostat); 2009 Israeli Labour Force Survey; 2006 Australian and Canadian Censuses; United States: 2010 American Community Survey (ACS).

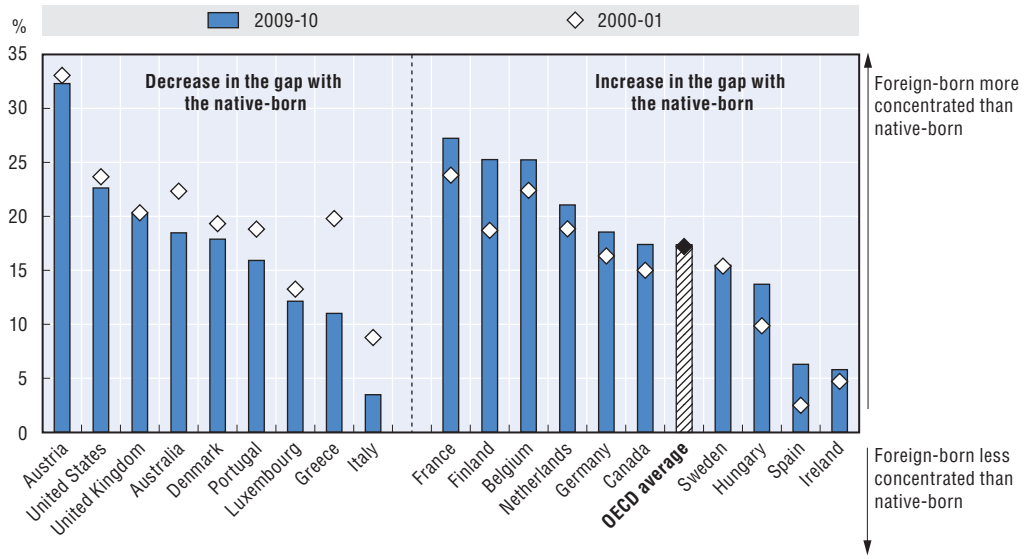
StatLink *http://dx.doi.org/10.1787/888932735977*

in these areas is particularly high in North America, but also in the Netherlands, Israel, Switzerland and the United Kingdom. The greatest differences between native-born and immigrant households in the share of households in urban areas are found in Austria (+32 points), where immigrants are largely concentrated in the Vienna area, in France (+27 points), the Slovak Republic (+26 points), as well as in Belgium and Finland (+25 points for each country). In contrast, the differences with native-born households are small in Italy (3 points) and Israel (4 points).

In Belgium, France and Finland, the concentration of immigrants in heavily urbanised areas increased more than the native-born population did since 2000 (Figure 1.25). In contrast, the differential in the concentration in urban areas between immigrant and native-born households declined in Australia, Greece, Italy and Portugal.

Figure 1.25. **Share of the immigrant population aged 15 to 64 living in a densely populated area compared with that of the native-born population, 2000-01 and 2009-10**

Difference with the native-born population in percentage points



Note: Densely populated areas according to the Eurostat definition; ABS classification; 100 largest metropolitan areas in the United States; census metropolitan area and census agglomerations in Canada.

Note: European Union Labour Force Survey (Eurostat); Australian Bureau of Statistics (ABS); 2006 Canadian Census; 2010 American Community Survey (ACS).

StatLink http://dx.doi.org/10.1787/888932734818

Notes

1. The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

ANNEX 1.A1

Statistical annex

Table 1.A1.1. **Size, age and gender composition of the foreign-born population, 2009-10**

	All foreign-born persons		Foreign-born			Difference (+/–) with the native-born			Women
			0-14	15-64	65+	0-14	15-64	65+	
	Total number of persons (thousands)	Percentage of the total population	Distribution in %			Percentage points			Percentage of foreign-born
Australia	5 817	26.5	5.9	76.2	17.9	–17.9	11.8	6.1	50.2
Austria	1 293	15.5	5.5	81.3	13.2	–11.3	15.7	–4.5	53.0
Belgium	1 376	12.7	6.8	78.1	15.1	–11.5	13.9	–2.4	52.5
Canada	6 618	19.6	5.6	74.8	19.6	–15.4	7.2	8.1	52.1
Chile	352	2.1	. .	. .	. .	. .	. .	. .	52.9
Czech Republic	676	6.4	3.4	72.8	23.8	–11.1	2.3	8.8	51.5
Denmark	414	7.5	8.6	82.3	9.2	–10.4	18.7	–8.2	54.4
Estonia	222	16.6	0.7	60.7	38.6	–16.8	–8.3	25.1	62.0
Finland	233	4.4	8.6	84.3	7.1	–8.3	18.4	–10.1	51.2
France	7 235	11.6	5.1	75.3	19.6	–15.2	11.4	3.8	52.0
Germany	10 601	12.9	3.0	78.0	19.0	–12.1	12.9	–0.8	51.4
Greece	858	7.9	6.1	89.6	4.2	–9.1	25.1	–16.0	49.8
Hungary	407	4.1	3.9	72.9	23.2	–11.2	4.3	6.9	57.4
Iceland	35	11.1	14.9	81.6	3.5	–7.0	16.7	–9.6	49.8
Ireland	767	17.2	13.3	82.4	4.3	–9.3	17.5	–8.2	49.7
Israel*	1 878	26.2	. .	. .	. .	. .	. .	. .	54.3
Italy	4 730	7.9	7.9	87.4	4.7	–6.8	23.4	–16.6	53.4
Japan	2 185	1.7	9.4	83.7	6.8	–4.4	17.9	–13.5	54.0
Korea	921	1.9	. .	. .	. .	. .	. .	. .	52.7
Luxembourg	182	36.9	8.0	82.5	9.6	–16.1	22.2	–6.1	50.2
Mexico	850	0.8	. .	. .	. .	. .	. .	. .	49.7
Netherlands	1 833	11.1	5.3	85.0	9.7	–13.8	19.5	–5.7	52.7
New Zealand	981	22.7	10.9	74.8	14.4	–14.0	11.2	2.8	51.5
Norway	527	10.9	10.3	84.1	5.6	–9.6	20.3	–10.7	49.0
Poland	307	0.8	4.9	28.7	66.4	–10.5	–42.5	53.0	61.4
Portugal	673	6.3	7.0	87.5	5.5	–8.7	21.9	–13.2	53.7
Slovak Republic	38	0.7	4.2	72.0	23.8	–11.4	–0.4	11.8	57.2
Slovenia	161	7.9	2.9	80.6	16.5	–12.1	12.2	–0.1	48.1
Spain	6 567	14.3	6.3	88.8	4.9	–10.0	23.4	–13.4	51.0
Sweden	1 338	14.4	6.9	78.5	14.5	–11.1	15.8	–4.7	52.4
Switzerland	2 038	26.3	5.0	80.9	14.1	–13.8	17.6	–3.8	51.8
Turkey	2 066	2.9	3.2	77.3	19.5	–24.1	11.2	12.9	41.0
United Kingdom	6 899	11.3	7.6	81.0	11.4	–11.5	16.6	–5.2	51.8
United States	38 517	12.5	5.5	82.6	11.9	–17.2	17.9	–0.8	50.0
OECD average (unweighted)	***109 592***	***11.6***	***6.6***	***78.2***	***15.3***	***–12.0***	***12.5***	***–0.5***	***52.2***
OECD average (weighted)	***109 592***	***9.0***	***5.7***	***80.8***	***13.4***	***–13.4***	***15.4***	***–2.0***	***51.2***

Note: Population with a foreign nationality as opposed to foreign-born in Japan and Korea.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: OECD International Migration Database; Australian Bureau of Statistics; 2006 Canadian Census ; Statistics Iceland; Statistics Sweden; European Union Labour Force Survey (Eurostat); 2005 Japanese Census; Swiss Federal Statistical Office; US Current Population Survey.

StatLink http://dx.doi.org/10.1787/888932735996

Table 1.A1.2. **Educational attainment of foreign-born and native-born populations aged 15 to 64 not in education, 2009-10**

	Foreign-born (% of all foreign-born 15-64)				Difference (+/–) with the native-born			
	At most primary	Lower secondary	Upper secondary	Tertiary	At most primary	Lower secondary	Upper secondary	Tertiary
	ISCED 0-1	ISCED 2	ISCED 3-4	ISCED 5 and more	ISCED 0-1	ISCED 2	ISCED 3-4	ISCED 5 and more
Australia	. .	20.2	41.8	38.1	. .	–8.3	–4.3	12.7
Austria	4.3	28.8	49.1	17.7	3.7	9.6	–15.2	1.8
Belgium	24.1	18.1	30.0	27.8	13.7	–2.3	–8.7	–2.6
Canada	. .	16.1	31.8	52.1	. .	–5.3	–7.0	12.3
Czech Republic	0.6	18.4	61.3	19.6	–0.4	4.8	–10.2	5.8
Denmark	6.3	25.3	37.3	31.1	3.7	–2.0	–4.7	3.1
Estonia	0.7	6.8	54.4	38.0	–2.7	–10.3	3.5	9.4
Finland	. .	50.6	28.4	20.9	. .	23.0	–15.2	–7.8
France	23.4	22.3	30.1	24.3	15.5	0.0	–13.3	–2.2
Germany	14.1	24.2	42.9	18.9	9.5	10.4	–15.6	–4.2
Greece	22.6	26.1	38.5	12.9	1.1	12.3	–4.9	–8.5
Hungary	1.2	16.5	52.8	29.6	–0.5	–6.6	–5.6	12.8
Ireland	7.7	11.1	38.4	42.8	–5.2	–8.3	0.8	12.7
Israel*	–	20.0	34.5	45.5	–	–7.2	–9.2	16.4
Italy	11.0	36.1	41.9	11.0	0.6	0.5	1.0	–2.1
Japan	. .	21.9	46.0	32.1	. .	8.7	–3.9	–4.8
Luxembourg	14.3	8.5	37.5	39.7	8.0	–3.4	–21.7	17.1
Mexico	. .	33.4	32.4	34.2	. .	–31.2	12.0	19.2
Netherlands	15.5	24.0	34.3	26.2	8.4	0.9	–7.1	–2.2
New Zealand	. .	13.2	50.7	36.1	. .	–11.4	–1.1	12.6
Norway	1.3	28.7	35.9	34.1	1.2	3.4	–8.0	3.4
Poland	1.1	11.1	57.8	30.0	–1.5	–4.5	–5.0	11.1
Portugal	24.5	26.6	30.2	18.7	–22.1	3.5	12.8	5.7
Slovak Republic	–	13.4	66.3	20.3	–	–1.5	–3.1	6.1
Slovenia	3.5	29.7	55.3	11.5	1.9	11.7	–4.3	–9.3
Spain	23.2	23.2	32.3	21.3	4.9	–7.6	10.4	–7.7
Sweden	11.5	12.8	44.5	31.2	8.1	–3.2	–8.7	3.8
Switzerland	9.0	19.5	39.5	32.0	6.3	7.7	–17.1	3.1
Turkey	42.0	15.5	23.4	19.0	–9.5	–4.2	4.6	9.1
United Kingdom	. .	28.0	24.6	47.3	. .	–14.7	–5.1	19.7
United States	16.5	12.5	36.7	34.3	15.0	3.9	–15.0	–3.9
OECD average (unweighted)	***12.1***	***21.4***	***40.7***	***29.0***	***2.5***	***–1.0***	***–5.4***	***4.6***
OECD average (weighted)	***. .***	***32.3***	***36.5***	***31.3***	***. .***	***7.6***	***–9.2***	***1.6***

Note: When the disaggregation into ISCED 0-1 and ISCED 2 cannot be done or when the sample sizes are too small to make this disaggregation, a single percentage is given for ISCED 0/1/2 in the column "ISCED 2". Population with a foreign nationality as opposed to foreign-born in Japan.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: Database on Immigrants in OECD Countries (DIOC) 2005-06; European Union Labour Force Survey (Eurostat); US Current Population Survey.

StatLink *http://dx.doi.org/10.1787/888932736015*

Table 1.A1.3. **Foreign-born population aged 15 to 64 by region of birth, 2009-10**

	All places of birth (Thousands)	Born in :		Born in:				
		Lower-income country	OECD high-income country	Africa	Asia	Latin America and the Caribbean	United States, Canada and Oceania	Europe
		(% of all foreign-born 15-64)		(% of all foreign-born 15-64)				
Australia	4 568	55.7	44.3	6.3	42.3	2.3	14.6	34.5
Austria	984	68.7	31.3	4.0	12.1	2.1	1.2	80.6
Belgium	1 074	56.8	43.2	33.7	9.0	3.0	1.4	52.9
Canada	4 626	61.9	38.1	6.7	44.6	12.7	4.8	31.3
Chile	128	18.7	81.3	0.7	4.5	76.5	5.7	12.5
Czech Republic	203	35.2	64.8	0.9	8.9	0.5	0.8	88.8
Denmark	375	64.9	35.1	3.3	33.5	1.3	7.4	54.4
Estonia	116	97.9	2.1	–	5.4	–	0.1	94.6
Finland	133	61.5	38.5	–	–	–	–	–
France	4 943	71.4	28.6	54.5	10.1	3.5	1.3	30.5
Germany	8 568	72.8	27.2	3.3	15.6	1.3	1.6	78.2
Greece	769	89.1	10.9	2.2	20.7	0.2	2.3	74.5
Hungary	126	83.7	16.3	2.8	10.7	2.1	2.6	81.9
Iceland	29	67.5	32.5	2.5	13.7	2.4	5.6	75.9
Ireland	533	33.9	66.1	8.1	11.1	1.7	4.2	74.9
Israel*	1 259	. .	. .	21.0	19.7	3.2	2.8	53.3
Italy	4 136	80.4	19.6	22.6	17.1	14.6	2.2	43.5
Japan	2 217	67.8	32.2	0.5	75.4	17.7	3.5	2.8
Luxembourg	153	15.2	84.8	5.1	2.7	2.3	1.4	88.4
Mexico	375	. .	. .	0.2	2.3	16.6	71.1	9.7
Netherlands	1 393	77.1	22.9	21.7	24.2	24.1	2.6	27.4
New Zealand	658	. .	. .	7.9	32.9	1.0	26.5	31.7
Norway	330	59.6	40.4	11.0	33.2	5.2	4.0	46.7
Poland	88	68.0	32.0	2.4	10.6	0.8	4.6	81.7
Portugal	616	77.3	22.7	44.7	2.2	23.4	1.8	27.9
Slovak Republic	28	24.4	75.6	0.5	1.9	0.6	0.4	96.7
Slovenia	129	93.0	7.0	0.4	0.1	0.5	0.6	98.5
Spain	5 391	84.1	15.9	20.8	5.1	54.5	0.5	19.1
Sweden	1 026	63.6	36.4	7.5	36.9	7.8	1.8	46.0
Switzerland	733	43.3	56.7	5.8	8.2	6.1	2.8	77.1
Turkey	1 598	. .	. .	. .	. .	. .	. .	. .
United Kingdom	5 753	66.0	34.0	20.5	35.7	4.8	6.8	32.2
United States	31 815	86.1	13.9	4.1	27.1	52.4	2.6	13.8
OECD average (unweighted)	***84 871***	***63.6***	***36.4***	***10.2***	***18.1***	***10.8***	***5.9***	***55.1***
OECD average (weighted)	***84 871***	***75.9***	***24.1***	***11.6***	***25.4***	***27.3***	***3.8***	***31.8***

Note: Population with a foreign nationality as opposed to foreign-born in Japan.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: Australian Bureau of Statistics; 2006 Canadian Census ; 2002 Chilean Census; Statistics Iceland; Israeli Labour Force Survey; European Union Labour Force Survey (Eurostat); Japanese Register of foreigners; 2010 Mexican Census; 2006 New Zealand Census; Swiss Federal Statistical Office; US Current Population Survey.

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Chapter 2

Household income

Household income and wealth have been shown to be important for a broad range of socio-economic outcomes, in areas as diverse as health, education and civic participation. Having insufficient income may hamper migrants' ability to function as autonomous citizens and have consequences on social cohesion. Beyond absolute income levels, household income distribution determines the extent to which some vulnerable groups, such as some immigrant households, are at risk of being left behind.

Participation in the labour market is the most important determinant of the level of household income. Labour earnings constitute by far the highest share of household income, some 75% in the OECD. Household income is strongly driven by the socio-demographic characteristics of household members, in particular the education and skills of the adults, the total number of children and the presence of young children, which may reduce the participation of women in the labour market. At the same time, social transfers as well as income and wealth taxes contribute to reshaping income distribution.

Two indicators are presented in this chapter: the household disposable income distribution (Indicator 2.1); the risk of poverty (Indicator 2.2). For a discussion on these indicators, refer to the section "Measurement" at the end of this chapter.

2.1. Household income distribution

Background information

Income data presented here refer to annual equivalised disposable income expressed in United States dollars (USD) at purchasing power parity (PPP) rates (OECD as a reference). Refer to the "Measurement" section at the end of the chapter for definitions. This excludes in-kind services provided to households by governments and private entities, consumption taxes, and imputed income flows resulting from home ownership. Only income of people living in private households is considered. A "top and bottom coding" is used, setting the maximum disposable income at ten times the median income, and the minimum disposable income at 1% of median disposable income.

Household immigrant status is defined by the head of household's country of birth. An immigrant household is a household in which all persons declared responsible for the dwelling (one or two persons) were born abroad. A native-born household is one in which at least one native-born person is responsible for the household. Among native-born households, a mixed household is one in which one of the person responsible was born abroad. Each individual aged 15 or over is attributed the income of his/her household.

In all OECD countries for which data are available, immigrant household median income is lower than native-born income and, in half of the countries, it represents less than 80% of the native-born median income. Aside from Austria, mixed household median income is comparable with that of native-born households and is even substantially higher in the case of Australia, Norway, Portugal, Switzerland, the United Kingdom and the United States (Figure 2.1).

Immigrant household median income ranges from one to almost threefold across OECD countries (less than USD 10 000 in Estonia and Poland and up to USD 25 000 in Australia, Luxembourg, Norway, and Switzerland). This is less heterogeneous than for native-born median income, which ranges from 1 to 3.7 across OECD countries. Immigrant households in southern European countries and in Belgium present two disadvantages: low overall median income compared with other OECD countries and large differences with native-born households.

Larger inequalities (in terms of D9 to D1 ratio – Figure 2.2) among immigrant households observed in most countries are partly driven by the level of the highest decile. This is the case especially in Australia, Luxembourg, the United Kingdom, Switzerland and the United States, where the immigrant highest decile is the top five across OECD countries. In Australia and Luxembourg, the level of the highest decile is comparable among immigrant and native-born households. In most OECD countries, adults living in an immigrant household are largely over-represented in the lowest decile (Table 2.1). Notable exceptions are Hungary, Ireland, Israel*, Poland and Portugal. In Denmark, Finland and the Netherlands, nearly a third of adults living in an immigrant household have equivalised income within the lowest income decile (calculated for the whole population). Immigrants are under-represented among households in the highest income decile, except in Australia and Luxembourg.

The ratio of the median to the lowest decile (D5/D1) is similar among immigrant and native-born households, with the exception of Norway and Switzerland where inequality at the bottom half of the distribution is greater among foreign-born. Furthermore, in these two countries, as well as in Belgium, Denmark, France and Spain, the immigrant lowest decile is significantly lower than that for native-born. Conversely, in Central and Eastern European countries as well as in Ireland, Israel and Portugal, immigrant and native-born levels of the lowest decile are comparable. In absolute terms, immigrant household lowest decile is highest in Iceland, Ireland and Luxembourg.

Figure 2.1. **Distribution of annual equivalised disposable income by household immigration status, 2008**

US dollars in 2008 current prices

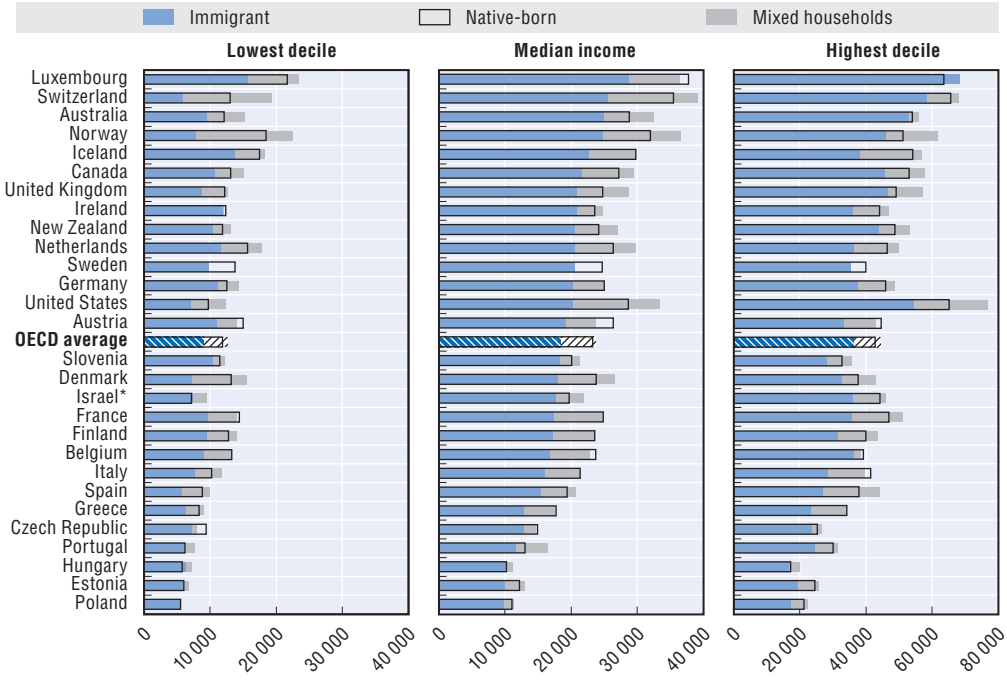

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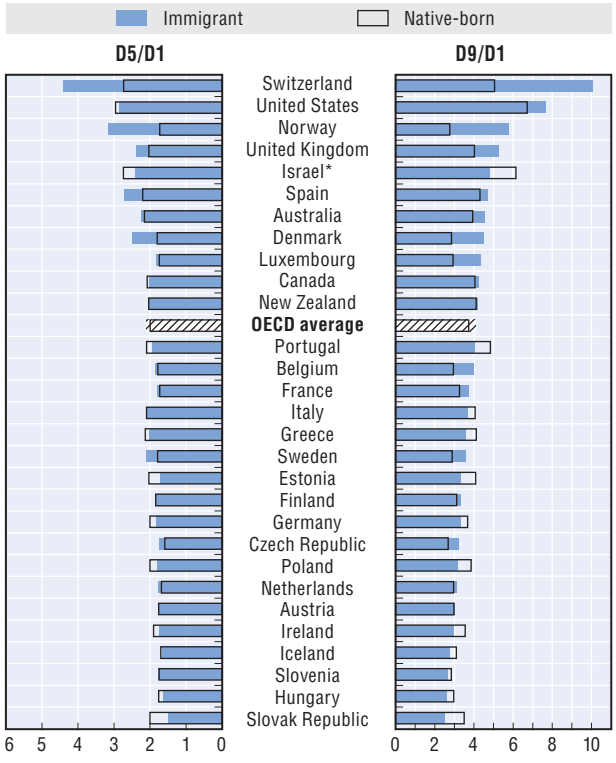
Figure 2.2. **Income distribution by household immigration status, 2008**



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Notes and sources are at the end of the chapter.

Table 2.1. **Share of persons living in an immigrant household in lowest and highest deciles, 2008**

Percentages

	% in the lowest decile	% in the highest decile
Australia	15.6	9.9
Austria	21.1	4.2
Belgium	26.3	7.3
Canada	15.8	7.1
Czech Republic	23.0	6.2
Denmark	32.0	4.0
Estonia	11.0	4.2
Finland	31.5	4.0
France	27.8	4.7
Germany	13.8	4.2
Greece	18.0	2.3
Hungary	8.2	8.7
Ireland	10.8	3.5
Iceland	21.8	3.6
Israel*	8.1	6.0
Italy	15.6	3.3
Luxembourg	17.4	11.3
Netherlands	30.4	4.4
New Zealand	14.5	7.1
Norway	28.7	5.9
Poland	10.3	3.8
Portugal	10.7	5.0
Slovenia	13.2	3.8
Spain	19.0	2.5
Sweden	20.3	6.6
Switzerland	14.3	8.0
United Kingdom	18.5	8.5
United States	15.4	6.7
OECD average	**18.3**	**5.6**

StatLink http://dx.doi.org/10.1787/888932736623

2.2. Poverty

Background information

The poverty is defined in this section as the percentage of individuals having less than half of the median equivalised disposable income (see the previous section for definitions of incomes and household immigration status). Each individual is attributed the income of his/her household. The poverty rate for persons aged 15 and over as well as that for children (aged 0 to 14) are presented. Children, like any household member, are attributed the immigrant status of the household. The term "immigrant (native-born)" poverty rate refers to the poverty rate among individuals living in an immigrant (native-born) household.

On average across OECD countries, 17.3% of immigrants are at risk of poverty, compared with 15% of the native-born population. In all OECD countries for which data are presented, the immigrant poverty rate is higher than that of the native-born. In Estonia, Ireland, Israel, Portugal, Poland and Slovenia, however, both rates are comparable and relatively low in international comparisons. Conversely, in Denmark, Finland, the Netherlands and Norway, as well as in France and Belgium, the immigrant poverty rate is 3.7 to 4.5 times higher than that of the native-born (Table 2.2). This is an issue, especially in Belgium and France where immigrant households represent more than 10% of all households.

Immigrant poverty rates are highest in the Netherlands, Nordic countries (except Sweden), Spain, Switzerland and the United States. In Denmark, Finland and the Netherlands, the relative importance of humanitarian migrants could be one explanatory factor for high poverty rates among immigrants, while in Spain it could be due to recent flows of migrants responding to a demand for low skilled jobs.

The region of origin of immigrant households matters. In Finland, Iceland, Luxembourg, the Netherlands, Norway and the United Kingdom, poverty rates among persons living in an immigrant household, all of whose heads were born outside the European Union, are more than twice as high as the rates among European Union immigrant households (where at least one head of household is born in the European Union). In all these countries, poverty rates for native-born and European Union foreign-born households are comparable (Figure 2.3).

Families with children and low earnings potential are particularly at risk of living in poverty. Children living in an immigrant household are systematically more at risk of living in poverty than their native-born counterparts (Figure 2.4). The immigrant child poverty rate is the highest in Belgium, Spain and the United States. This is particularly worrying in countries where children living in immigrant households represent a high percentage of all children, namely Belgium and the United States. High child poverty rates among immigrant households could be related to the relatively lower participation in the labour market of immigrant women having children and, in some countries (especially Belgium and the United States), to the higher average number of children in immigrant households compared with that of native-born.

Labour market access is a major factor contributing to poverty risk reduction, even if employment does not prevent poverty, especially among households with children. Sample sizing does not make it possible to calculate the jobless poverty rate for many countries. However, for the few countries for which it is possible (Belgium, Canada, France and the United States), immigrant jobless households are much more disadvantaged than their native-born counterparts, probably because work is their major source of income. In addition, when they become jobless, the lack of a reliable social network may bring with it difficulties that put them at risk of chronic poverty.

Table 2.2. **Poverty rates by household immigrant status, 2008**

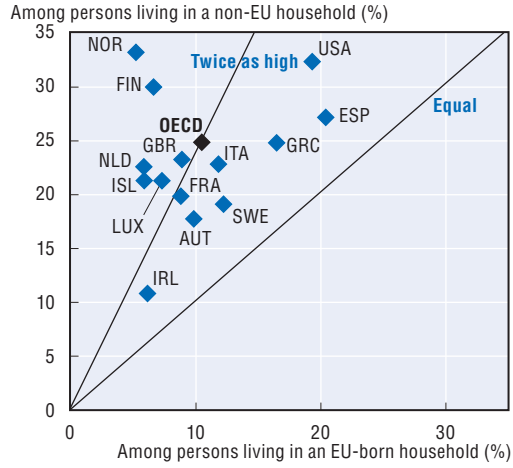
Percentage

	Individuals living in an immigrant household	Ratio to the native-born households
Australia	20.2	1.7
Austria	15.0	2.9
Belgium	21.9	3.8
Canada	22.9	1.8
Czech Republic	10.1	2.5
Denmark	25.6	4.0
Estonia	11.0	1.1
Finland	24.5	3.7
France	21.1	4.0
Germany	13.8	1.4
Greece	22.3	2.0
Hungary	1.5	0.3
Iceland	10.5	2.1
Ireland	9.0	1.2
Israel*	16.6	1.0
Italy	17.8	1.7
Luxembourg	13.4	3.6
Netherlands	24.0	4.5
New Zealand	14.6	1.6
Norway	23.6	3.9
Poland	10.3	1.0
Portugal	14.4	1.2
Slovak Republic	14.7	2.4
Slovenia	8.3	1.3
Spain	23.7	1.9
Sweden	16.4	2.5
Switzerland	25.7	1.8
United Kingdom	19.0	1.9
United States	31.2	1.8
OECD average	**17.3**	**2.2**

StatLink http://dx.doi.org/10.1787/888932736642

Figure 2.3. **Immigrant household poverty rates by origin, 2008**

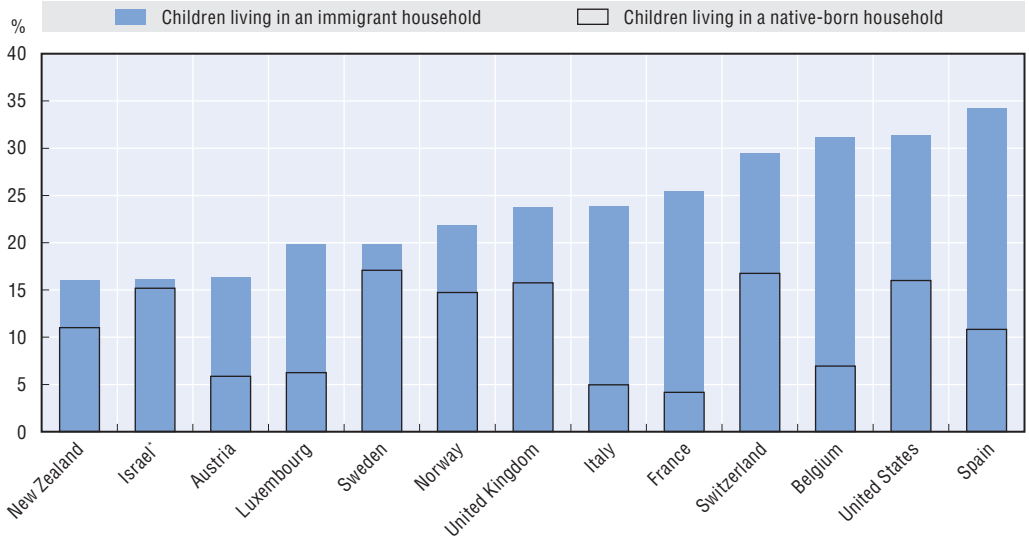
Persons living in an EU versus a non-EU-born household



StatLink http://dx.doi.org/10.1787/888932734875

Figure 2.4. **Child (0-14) poverty rate by household immigrant status, 2008**

Percentage



StatLink http://dx.doi.org/10.1787/888932734894

Notes and sources are at the end of the chapter.

Measurement

Indicators of wealth are not presented in this publication since the available statistical sources are not reliable enough to depict immigrants' situation accurately. In particular, information on the value of property owned abroad is not available.

Data presented in this chapter refer to annual household equivalised disposable income. Disposable income provides an indication of the goods and services households can purchase on the market using current income sources and without increasing its level of debt. It is composed of the sum of all labour earnings (wages, salaries, self-employment income), capital income, savings, private and public transfers, minus income taxes and social contributions.

Two indicators have been selected for presentation: the household disposable income distribution (Indicator 2.1) and the incidence of poverty (Indicator 2.2). The former indicator presents median income as well as lowest and highest deciles. Median income (D5) cuts income distribution into lower and upper halves. Ten percent of people have income lower than the first decile (D1) and 10% have income higher than the ninth decile (D9). The ratio D9/D1, the inter-decile ratio, is used as an indicator of income inequality. The ratio D5/D1 focuses on the bottom half of the distribution, while the ratio D9/D5 focuses on the top half. The latter indicator (poverty) is defined as the proportion of the immigrant and native-born populations, respectively, having less than half of the median income (calculated for the entire population) in each country. While this definition makes it possible to compare the incidence of relative poverty across countries, it does not take into account differences in absolute income levels across countries. Furthermore, such poverty indicators do not take into account the non-financial dimensions of poverty.

In order to equalise the purchasing power of different currencies, the OECD purchasing-power parity conversion rate has been applied to both indicators. To take into account the size and composition of households, household income is divided by the equivalent household size, which attributes a weight of 1 to the first adult, 0.5 to any other household member aged 14 and over and 0.3 to each child under 14 years. These factors take into account economies of scale in multiple-person households.

Notes, sources and further reading

Notes

Figure 2.3: United States data refer to immigrants born in an OECD high-income country versus another country (instead of European Union versus non-European Union country).

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Sources

European Union Statistics on Income and Living Conditions (EU-SILC) 2009; 2008 for Portugal; Swiss Household Panel (SHP) 2009; Household, Income, and Labour Dynamics in Australia (HILDA) 2009; 2009 Canadian Survey of Labour and Income Dynamics (SLID); Israeli Labour Force Survey 2009; New Zealand Household Economic Survey (HES) 2009; US Current Population Survey (CPS) 2009.

All panel designs tend to under represent recent arrivals. In the case of EU-SILC and SLID the panel is renewed every four years; in the CPS every two years. The samples are

cross-sectionally representative only for the first wave of a new panel; only newly arriving immigrants who join a resident household, *e.g.* through family reunification and formation, are captured. In HILDA, new arrivals after 1999 are only included if they are in previously resident households. As Australia had significant intakes of migrants between 1999 and 2009, and has had an increased focus on highly educated labour migrants since the mid-1990s, the estimates thus tend to be biased.

Further reading

OECD (2009), "Is Work the Best Antidote to Poverty", Chapter 3 in *OECD Employment Outlook*, OECD Publishing, Paris.

OECD (2011a), *Society at a Glance – OECD Indicators*, OECD Publishing, Paris.

OECD (2011b), *Divided We Stand – Why Inequality Keeps Rising*, OECD Publishing, Paris.

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Chapter 3

Housing

The socio-economic characteristics of the household maintainers (notably the household financial resources) as well as the household size and composition are some of the key determinants of housing conditions. Household preferences (notably in terms of geographical location and intentions to settle in the country of destination) also play a key role. Even when families can afford a suitable accommodation, they may choose to give priority to other aspects of their lives (children's education, proximity to cultural services, etc.). This is notably the case for immigrants contemplating a return to their country of origin and to an even greater extent for those aspiring to property ownership there.

Housing conditions are expected to vary with the migrant's category of entry. Family reunification is generally contingent on means, if not always on minimum requirements in terms of surface area and/or the number of rooms available or sanitary conditions. Recent immigrants, especially those arriving under extreme conditions, or those with no family or social networks in their new surroundings, have a stronger likelihood of ending up in substandard housing.

Housing supply and prices are also key in shaping housing conditions. The possibility of benefitting from social housing or housing subsidies can contribute substantially to reducing the housing cost or improving the adequacy of the dwelling with the size of the household. The requirements to access social housing and housing benefits generally involve household size and disposable income. Applications are generally treated in order of submission and therefore recent immigrants generally have low priority.

Finally, the lack of information on the renting system, the existence of discrimination by landlords against immigrant families as well as inequalities in access to credit are among the reasons for which immigrants are more exposed to inadequate housing conditions than the rest of the population.

Three indicators are presented in this chapter: the tenure status (Indicator 3.1), the physical description of the dwelling (Indicator 3.2) and the cost of housing (Indicator 3.3). For a discussion on these indicators, refer to the section "Measurement" at the end of this chapter.

3.1. Tenure status

Background information

Tenure status is generally diseggregated into three groups: owning (when the owner is a member of the household), renting and free of charge. When relevant, a distinction is made between "rented at prevailing or market rate" and "rented at a reduced rate" (social housing, rented from an employer or rent fixed by law), with the understanding that this latter category usually does not include renters who rent at market price and receive a housing subsidy (except in Switzerland). The distinction between rented at the market rate and rented at a reduced rate is not made in Australia, Canada, Denmark, Korea, the Netherlands, New Zealand and the United States. No information on persons accommodated for free is available in Denmark, Korea, Norway and Sweden. Household immigrant status (immigrant versus native-born) is classified according to the place of birth of the main person responsible for the accommodation.

On average across OECD countries, 53% of immigrant households own their dwelling, compared with 71% among native-born. The highest ownership rates among immigrant households are observed in Australia as well as in some central and eastern European countries and Korea (Figure 3.1). In all these countries, as well as in Canada, differences with native-born rates are small or negligible. In all other OECD countries under review, the percentage of owners among households headed by an immigrant is significantly lower than among native-born households.

Differences are the largest in Finland, Greece, Ireland and Italy where recent immigrants represent a relatively large part of the stock. The differences with native-born households are also large in countries where the proportion of owners among the native-born is relatively high (Iceland, Luxembourg, Norway and Spain). In contrast, in Germany, where the percentage of owners among the native-born is low, differences with immigrants are relatively small.

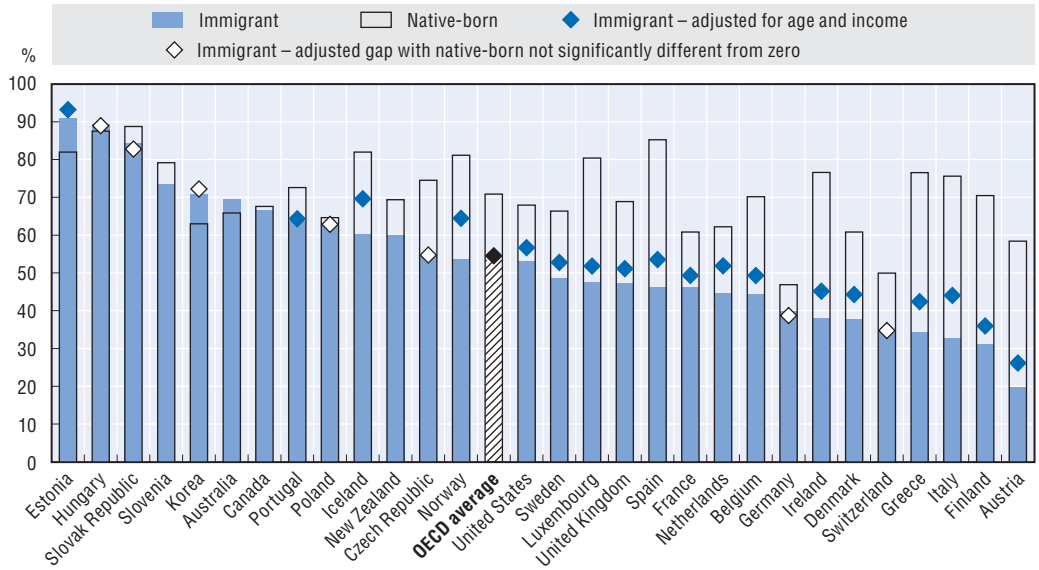
When adjusting for age of household head and household level of income, differences in home ownership rates between immigrant and native-born households remain but are systematically smaller. Countries where age and income contribute the most in explaining differences with the native-born population (around 40%) are Iceland, the Netherlands and Norway. In all three cases, discrepancies in income distribution are the major explanatory factor. In all other countries, those two factors explain no more than a quarter of the differences with the native-born. Preferences, in particular location choices, are probably other factors.

Immigrant households whose head is a foreign citizen are even less likely to own their dwelling (except in the Netherlands). This can be explained by the fact that naturalised immigrants have on average a longer duration of stay and may be more keen to settle in their host country. Available data by duration of stay clearly show that settled migrants are more likely to own their dwelling. In the United States, this is the case for 73% of "settled" migrants, compared with 36% of immigrants with less than ten years of residence (61% versus 46% in Switzerland). Another factor is that foreigners may face obstacles in accessing credit.

Among renters, in most OECD countries, immigrant households are less likely than the native-born to rent at a reduced rate or to be accommodated free of charge (Figure 3.2). Only Finland, Estonia and Germany run counter to this observation. The largest differences are observed in Ireland and Spain, both of which experienced large migration flows in the last decade.

Figure 3.1. **Home ownership rate by household immigration status, 2009**

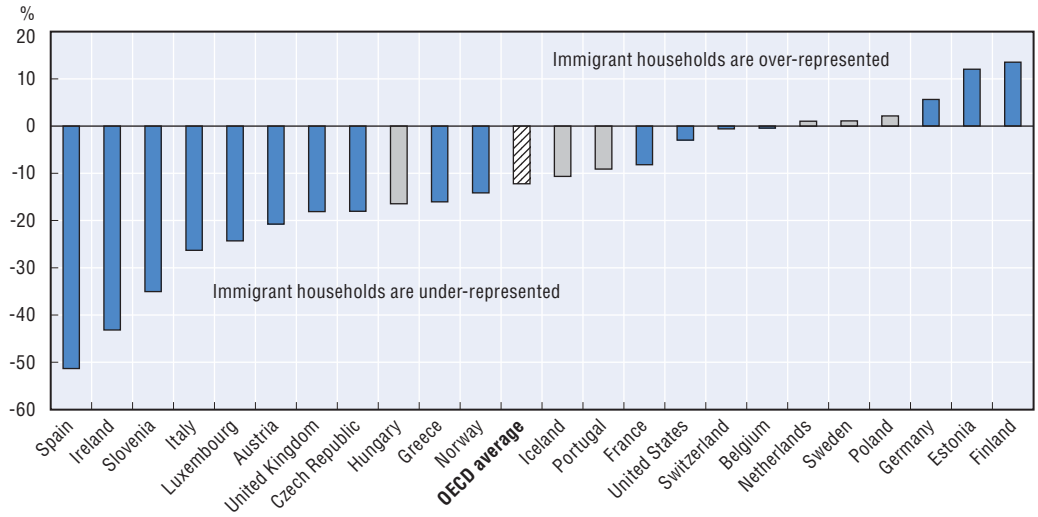
Percentage of all households



StatLink http://dx.doi.org/10.1787/888932736585

Figure 3.2. **Households renting at a reduced rate or free of charge among immigrant and native-born who do not own their dwelling, 2009**

Difference with the native-born in percentage points



StatLink http://dx.doi.org/10.1787/888932736148

Notes and sources are at the end of the chapter.

3.2. Housing conditions

Background information

The rate of overcrowding in this section is adapted from the Eurostat definition and is based on the number of rooms available in the household and household size and composition. Age and sex of children are not however taken into account. Results for non-European countries follow the same definition, except New Zealand and Canada whose results are in line with the overcrowding definition used by Canada. The minimum number of rooms under which a dwelling is considered overcrowded is the following: two rooms for a maximum of two adults (including a couple); one additional room per additional adult (household member aged 18 years or over); one additional room for a maximum of two children.

Housing quality is measured in terms of household amenities. Deprivation refers to households living in a dwelling that is too dark; or without a bath, shower or indoor flushing toilet for sole use of the household; or with a leaking roof. In the United States, it refers to households living in a dwelling without a bathtub, shower or flush toilet. Information on housing deprivation is not available for Australia, Israel*, New Zealand and Switzerland.

Housing conditions are measured by two rates: the percentage of individuals (including children) living in an overcrowded and deprived dwelling, respectively. When looking at individual persons rather than households, the issue of large-sized households is stressed. The household immigrant status (immigrant versus native-born) is classified according to the place of birth of the main person responsible for the accommodation.

On average across OECD countries, 20% of persons in immigrant households live in overcrowded dwellings versus 11% among persons in native-born households. In most OECD countries, persons living in an immigrant household are more likely to live in an overcrowded dwelling than those living in a native-born household. In only three countries – Finland, the Netherlands and the Slovak Republic – differences with the native-born population are not statistically significant. Overcrowded rates among immigrant households are the lowest in Australia, Ireland, the Netherlands and Switzerland; the highest in central and eastern European countries, Greece and Italy. Differences with the native-born are the largest in Austria, Greece, Italy and Slovenia (Figure 3.3).

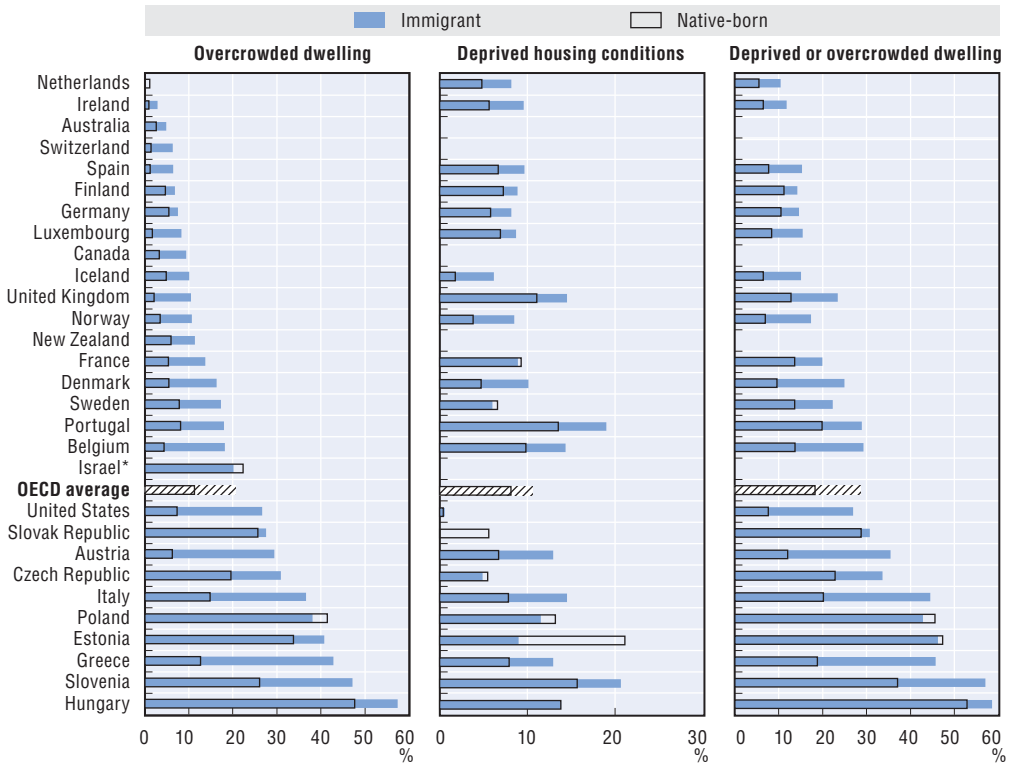
Difference in rates of overcrowding are even larger among children, with 32% of children living in an overcrowded immigrant household compared with 19% of children in a native-born household.

The proportion of the population living in deprived households is generally low (below 10%), except in Belgium, Italy, Portugal, Slovenia and the United Kingdom. In Austria, Greece and Italy, persons living in immigrant households are largely disadvantaged compared with their native-born counterparts. When renting at market rate, persons in immigrant households are even more disadvantaged than the native-born (Figure 3.4).

Across OECD countries, nearly one person out of four living in deprived housing conditions or overcrowded dwellings live in an immigrant household. This percentage is particularly high in Luxembourg (61%) and in Austria (40%).

Figure 3.3. **Persons living in overcrowded or deprived dwellings by household immigration status, 2009**

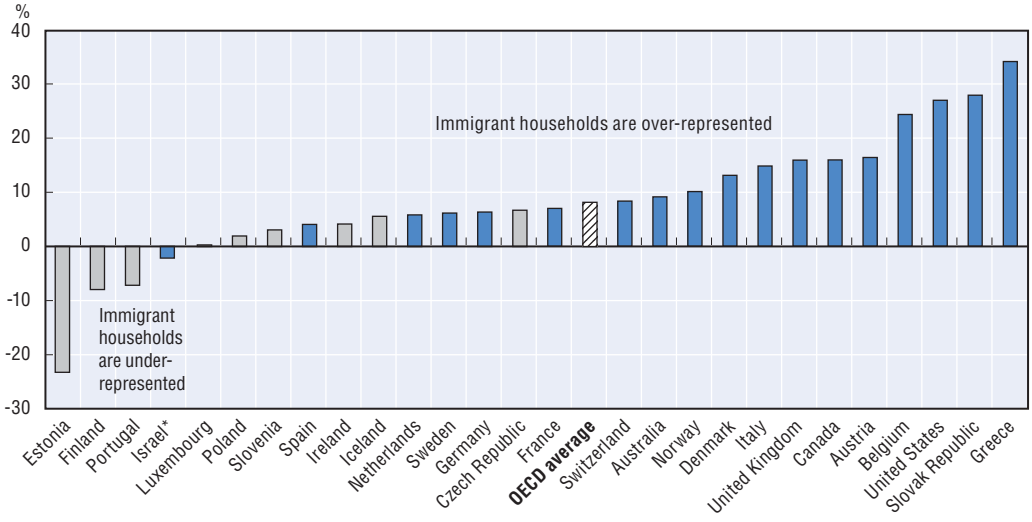
Percentage



StatLink http://dx.doi.org/10.1787/888932736167

Figure 3.4. **Persons living in overcrowded or deprived dwellings among households renting at a market rate, by household immigration status, 2009**

Difference with the native-born households in percentage points



StatLink http://dx.doi.org/10.1787/888932736186

Notes and sources are at the end of the chapter.

3.3. Housing costs

Background information

The housing cost overburden rate in this section is the percentage of the population living in a household where the housing cost accounts for more than 40% of disposable income. The net housing cost overburden rate is the same percentage but considers the total rent payments net of housing allowances. It indicates the actual effort made by the household. Both indicators are limited to households that rent their dwelling.

For Australia, Canada, Korea, New Zealand, Switzerland and the United States, no information is available on housing allowances.

The household immigrant status (immigrant versus native-born) is classified according to the place of birth of the main person responsible for the accommodation.

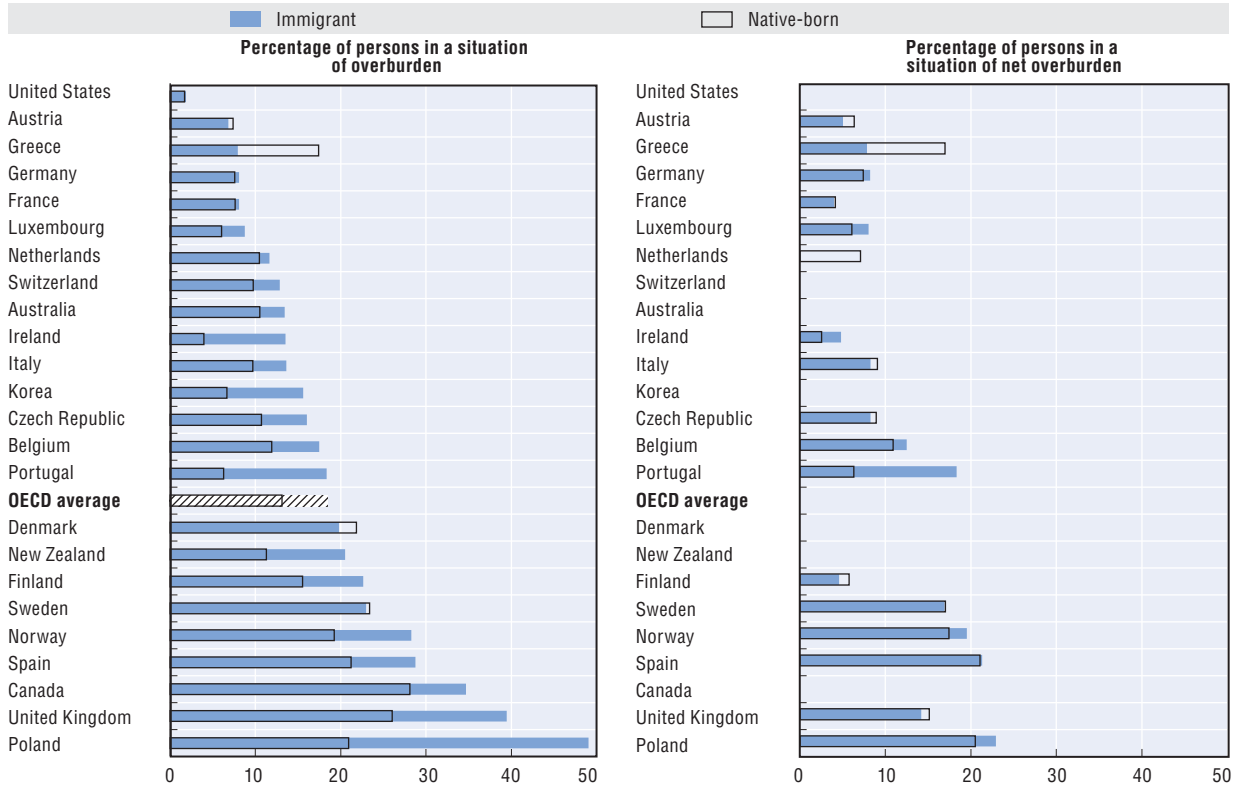
Housing is a major budget item both for immigrant and native-born households. However, in most OECD countries, immigrant households are more likely to spend 40% or more of their disposable income on rent for their dwelling. On average across OECD countries, the housing cost overburden rate among persons in immigrant households is 18%, compared with 13% among persons in native-born households (Figure 3.5).

The housing cost overburden rate of persons in immigrant households is highest in Canada, Poland and the United Kingdom (over 30% of persons living in immigrant households) and to a lesser extent in Norway and Spain. When compared to native-born households, the difference exceeds 12% points in Poland, Portugal and the United Kingdom. In contrast, these differences are not statistically significant in Austria, France, Germany, the Netherlands and Sweden and are negative in the case of Greece. However, in this latter country, persons living in an immigrant household are more than three times as likely as persons in native-born household to live in an overcrowded dwelling. While in this country as well as in the Czech Republic and Italy, and to a lesser extent Austria, France and the United States, housing issues faced by immigrant renters are more often linked to material conditions of the dwelling (overcrowded) than to financial burden, the opposite is true in Spain. In Finland and Ireland, immigrant renters are relatively less likely to face housing problems, compared with the situation in other OECD countries (Figure 3.6).

On average in OECD countries, housing subsidies do not contribute substantially to reducing the housing cost overburden differential between persons in immigrant and native-born households (Figure 3.5). Finland is an exception.

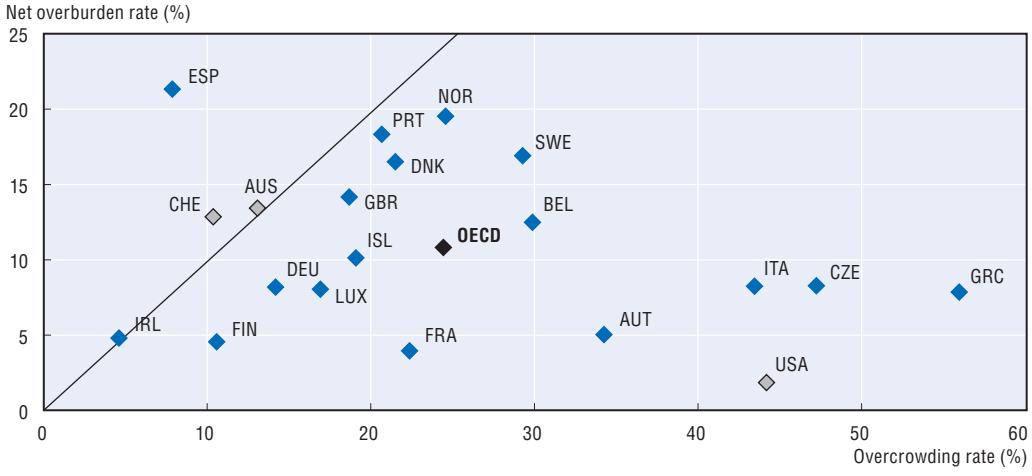
Figure 3.5. **Housing cost overburden rates among renters, by household immigration status, 2009**

Percentage



StatLink http://dx.doi.org/10.1787/888932736205

Figure 3.6. **Housing cost net overburden rate and rate of overcrowding for persons in immigrant households that rent their dwelling, 2009**



StatLink http://dx.doi.org/10.1787/888932736395

Notes and sources are at the end of the chapter.

Measurement

Both material and financial aspects of housing are described in this chapter. An ideal set of indicators for material housing conditions would first provide information on the characteristics of the dwelling (*e.g.*, the number of rooms per inhabitant, available basic equipment, quality of materials and deterioration of the dwelling), the environment as well as the neighbourhood (exposure to noise and pollution, feeling of security in the neighbourhood, the accessibility of public transport and workplace, the proximity of stores and public or para-public services and finally recreational facilities).

Financial aspects of housing cover the share of income devoted to housing. This includes mortgage payments for owners and rent for tenants (net of housing subsidies). Tenure status gives some indications of the ability and willingness to settle in the host country.

In this chapter, data are taken from household surveys and therefore exclude homeless persons as well as persons living in collective housing (such as worker or student residences, hospitals or prisons). The range of chosen indicators is limited to tenure status (Indicator 3.1), physical description of the dwelling (overcrowded and deprived housing conditions) (Indicator 3.2) and to the cost of housing (Indicator 3.3) because of sample size problems and limited comparability of information provided by surveys.

Notes, sources and further reading

Notes

Figure 3.1: Immigrant home ownership rates are adjusted, predicting what they would be if the head of household had the same age structure as the native-born on average and if immigrant households had the same income distribution as the native-born households. White diamonds indicate adjusted immigrant home ownership rates not significantly different to that of native-born households to a probability of 0.05.

Figure 3.2: Grey bars indicate differences not statistically different from zero to a probability of 0.05.

Figure 3.4: Grey bars indicate differences not statistically significant to a probability of 0.05. Data for Australia, Canada, Israel and Switzerland cover overcrowding only.

Figure 3.5: OECD averages include countries for which overburden rates cannot be published individually due to sample size issues. Ignoring those low rates would have contributed to overestimate the OECD averages.

Figure 3.6: The overburden rate of countries represented in grey are calculated on the basis of the actual rent since no information on housing allowances is available.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Sources

European Union Statistics on Income and Living Conditions (EU-SILC) 2009; 2008 for Portugal; Swiss Household Panel (SHP) 2009; Household Income and Living Dynamics in Australia (HILDA) 2009; 2009 Canadian Survey of Labour and Income Dynamics (SLID); Israeli Labour Force Survey 2009; Korean Labour and Income Panel Survey 2007; New Zealand Household Economic Survey (HES) 2009; American Community Survey (ACS) 2009.

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Chapter 4

Health status and access to health care

Socio-demographic characteristics such as sex, age, participation in risky behaviour (i.e., drinking alcohol, smoking), as well as living and working conditions are among the most important determinants of an individual's health. A "healthy migrant effect" is expected to be found in countries where the bulk of migration is composed of recent migrants, younger on average than the native-born population. This positive effect is expected to diminish as the duration of residence grows longer.

The origin country of migrants and the conditions of the migration may nuance the positive impact of the "immigration self-selection" on health outcomes. Some migrant groups, such as refugees, are particularly vulnerable and may be more likely to suffer from specific diseases or mental disorders. More generally, the migratory experience can lead to stress which may affect migrants' health outcomes in different ways down the line, depending on socio-economic and health conditions in the country of origin and on the extent to which they settle in the receiving country. Finally, a positive correlation generally exists between both educational attainment and income level, on the one hand, and health status, on the other.

This chapter analyses several aspects of self-reported health status for both the native-born and immigrant populations (Indicator 4.1) as well as unmet medical needs (Indicator 4.2). For a discussion on these indicators, refer to the section "Measurement" at the end of this chapter.

4.1. Perceived health status

Background information

Perceived health status reflects a broad perception of one's health, including its physiological and psychological dimensions. Three different aspects are covered in this section: 1) the overall health status; 2) the existence of chronic or long-standing illness or health conditions; and 3) the existence of health-related limitations (limited or strongly limited) which is one definition of disability. Although perceived health status is measured in five levels in all surveys, responses in the Australian and EU-SILC questionnaires range from "very bad" to "very good", centred on "fair", while responses in the American, Canadian and Swiss surveys range from "bad" to "excellent", centred on "good". This section provides figures on the proportion of people rating their health as "good" or better. The existence of chronic health conditions and health-related limitations are covered in much more detail in non-European questionnaires than in those of the Swiss and EU-SILC. This may tend to bias the international comparisons, as there are more opportunities to report to be suffering in non-European questionnaires. Each indicator for the immigrant population is adjusted, predicting what it would be if the foreign-born population had the same age, educational and income characteristics as the native-born population.

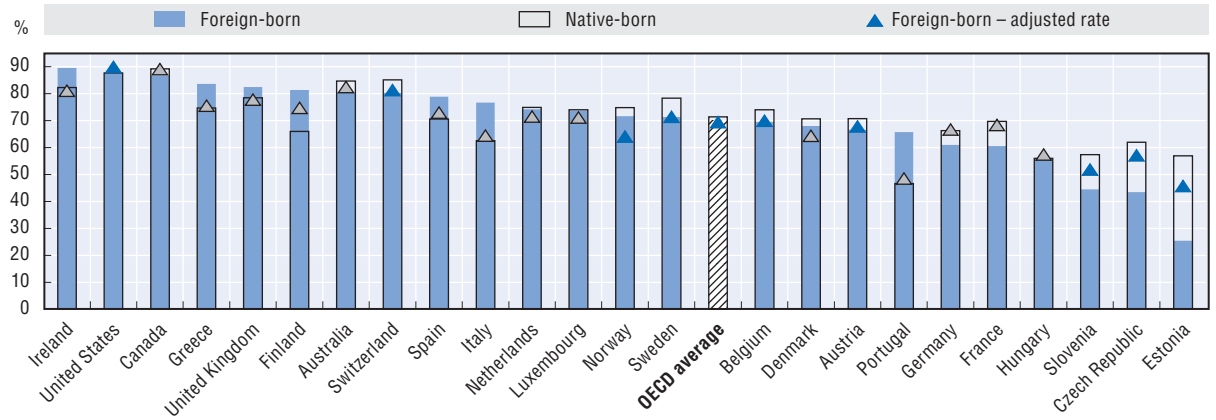
On average across OECD countries, 70% of immigrants reported having good health or better in 2009 (72.2% of males, 68.1% of females). This average is comparable to that of the native-born. Over 85% of immigrants in Canada, Ireland and the United States, and less than 45% of immigrants in the Czech Republic, Estonia and Slovenia reported that they were in at least good health (Figure 4.1).

In southern Europe (Greece, Italy, Portugal and Spain) as well as in Finland, Ireland and the United Kingdom, immigrants tend to be healthier on average than their native-born counterparts. In those countries, recent migrants, younger on average than the rest of the population, represent a large proportion of the immigrant stock. In Portugal, the trend is driven by the comparatively low proportion of native-born reporting to be in good health or better. In all other countries, including settlement countries (Australia, Canada), immigrants are on average less likely than native-born to report being in good health or better. In Central and Eastern European countries, with the exception of Hungary, the differences compared with the native-born are large (between a –31.6% points gap in Estonia and a –12.9% points gap in Slovenia).

However, after adjusting for age, education and income level, the differences in health status between immigrant and native-born decrease or become negligible in most countries. Notable exceptions are Norway, where the gap with native-born increases, and to a lesser extent Australia, Canada, Sweden, Switzerland and the United States where the adjustment has little impact. The presence of vulnerable groups, such as humanitarian immigrants, may affect the results for Nordic countries.

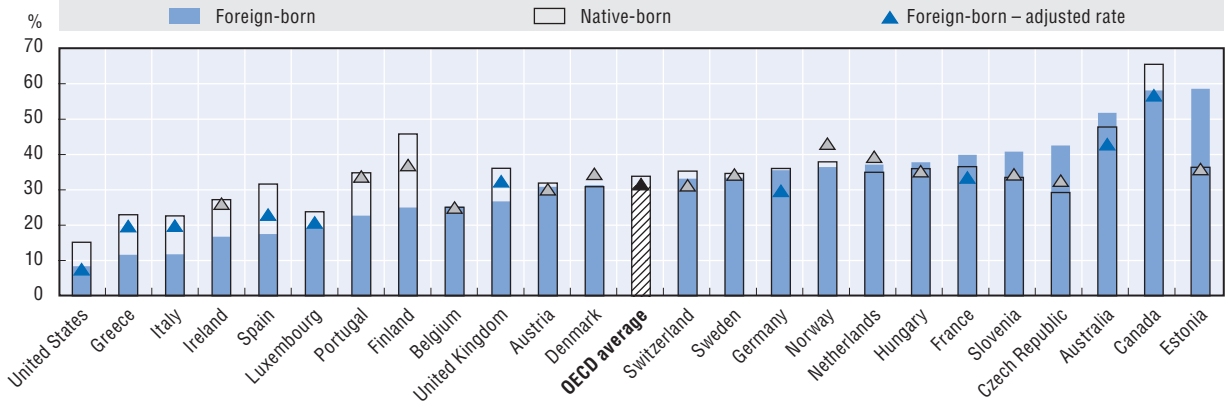
Similar results are observed for the other two indicators. Immigrants to Ireland, the United States and southern European countries are significantly less likely to suffer from either a chronic condition or to report health-related limitations than native-born persons (Figures 4.2 and 4.3). After adjustment, immigrants become less likely to suffer from chronic health conditions in Australia, France, Germany than the native-born. In most other countries, differences with the native-born in this category decrease or become statistically insignificant. However, in Canada, Luxembourg and the United States, differences between immigrants and the native-born, in terms of the prevalence of chronic health conditions, seem unrelated to socio-economic factors. While the percentage of immigrants reporting health-related limitations is substantially reduced after adjustment in central and eastern Europe, France and Germany, it remains unchanged after adjustment in Denmark and Switzerland and tends to increase in the Netherlands and Norway (Figure 4.3).

Figure 4.1. **Percentage of foreign- and native-born adults reporting to be in good health, 2009**



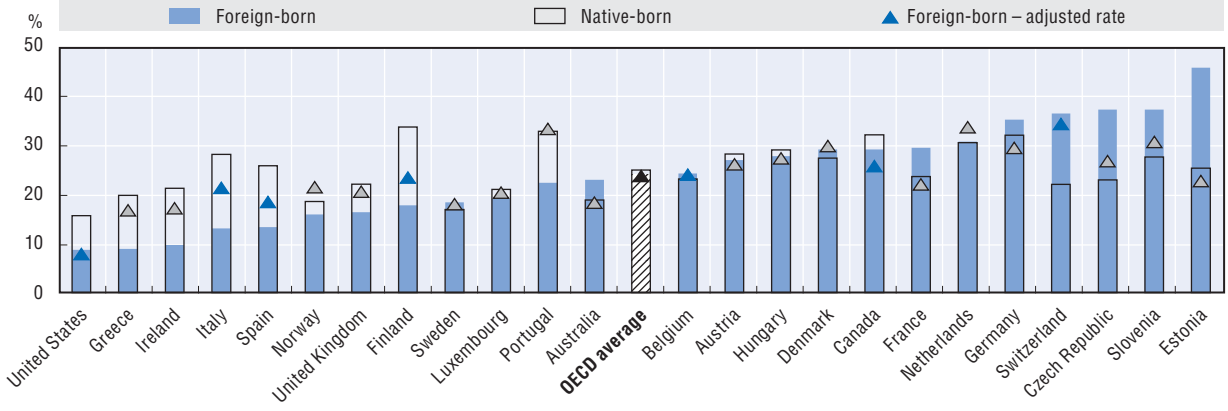
StatLink http://dx.doi.org/10.1787/888932734913

Figure 4.2. **Percentage of foreign- and native-born adults reporting to suffer from chronic health conditions, 2009**



StatLink http://dx.doi.org/10.1787/888932734932

Figure 4.3. **Percentage of foreign- and native-born adults reporting health-related limitations, 2009**



StatLink http://dx.doi.org/10.1787/888932734951

Notes and sources are at the end of the chapter.

4.2. Unmet medical needs

Background information

This indicator reports on whether there was a time in the previous 12 months when the respondents felt they needed health care services (excluding dental examination or treatment) but did not receive them. Of the 20 countries in the EU-SILC survey analysed in this report, only sixteen presented adequate sample sizes for an analysis of the unmet medical needs of immigrants. Furthermore, sample sizes are generally too small to permit a detailed account of the reasons why medical need was unmet.

Among other OECD countries, data on immigrants' unmet health needs were available only for the United States. However, such data referred more specifically to unmet medical needs resulting from cost, as opposed to all possible reasons, and should therefore be compared to EU data with caution.

The indicator for the immigrant population is adjusted, predicting what it would be if the foreign-born population had the same age, educational attainment and income characteristics as the native-born population.

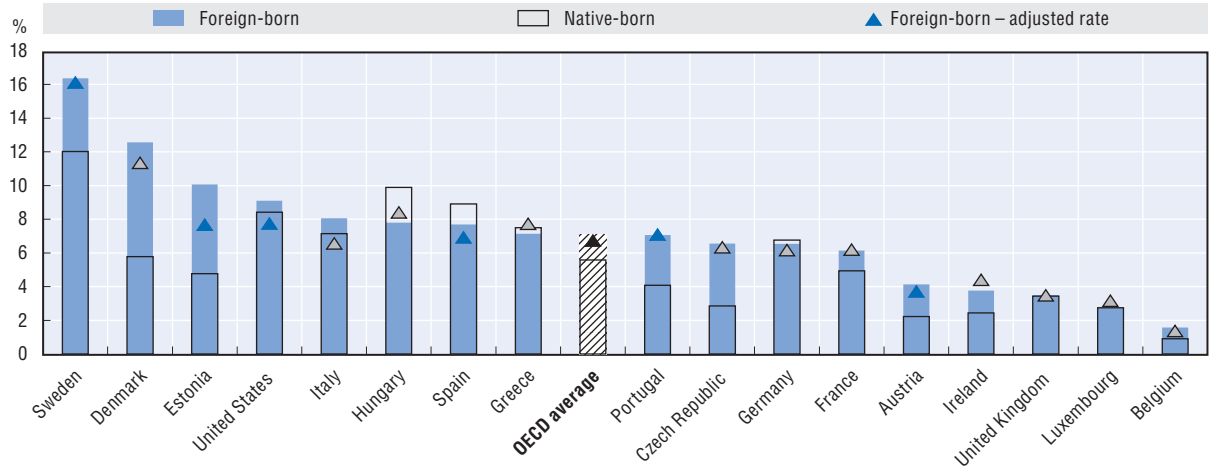
On average across OECD countries, 7.1% of immigrants reported having an unmet medical need over the past year, compared to 5.6% of the native-born population. This difference was not found to be statistically significant.

Differences in the prevalence of unmet needs between the foreign-born and the native-born are significant for approximately half of the countries for which data can be published (Figure 4.4). In all such countries, the foreign-born are more likely to have unmet needs than the native-born. Immigrants in Scandinavian countries were the most likely to report having unmet needs (16.4% in Sweden, 12.6% in Denmark), while those in Belgium, Luxembourg and the United Kingdom were the least likely (less than 4%). Around 9% of immigrants in the United States reported an unmet medical need as a result of cost alone.

After adjusting for age, education and income level, immigrants in both Spain (–2.0% points) and the United States (–0.7% points) were less likely to report unmet medical needs than the native-born. However, immigrants in Austria, Estonia, Portugal and Sweden were still between 4.1% points and 1.2% points more likely to report unmet medical needs than the native-born.

Similar reasons among the native-born and immigrants were reported for unmet medical needs across European OECD countries: cost, waiting to see whether the problem would get better on its own, busy schedules, and waiting lists. However, immigrants (at 31%) were more likely to report cost as the reason behind an unmet medical need than were the native-born (23%).

Figure 4.4. **Percentage of foreign- and native-born adults reporting unmet medical needs, 2009**



StatLink http://dx.doi.org/10.1787/888932734970

Notes and sources are at the end of the chapter.

Measurement

An ideal set of immigrants' health indicators would report on objective health status as well as describe factors that lead to poor health. However, indicators that are available and easily measurable are static and tend to only report on current health outcomes and not on risk factors that may affect trends in health outcomes. Commonly used health indicators, such as infant mortality and life expectancy, are either inapplicable or unavailable for immigrant populations. Health examinations such as medical tests (blood check-ups, reports of chronic diseases, etc.) would be ideal but require specific surveys, which are implemented infrequently in countries, if at all.

This chapter analyses several aspects of self-reported health status for both the native-born and immigrant populations (Indicator 4.1). Some caution is recommended in interpreting the self-reported replies to the survey questions, since social and cultural differences in self-perception and in self-reporting across countries and between native-born and immigrants within a country may limit the validity of comparison.

Preventative and curative visits to the doctor and medical check-ups (cancer screening, in particular women's breast cancer screening, children vaccination, etc.) are key indications of the equity of access to medical care. However, sample sizes of national health surveys do not allow for robust results for immigrants. Another method of gauging equity of access to services is by assessing reports of unmet needs for health care. In order to determine unmet medical needs, individuals are typically asked whether there was a time in the previous 12 months when they felt they needed health care services but did not receive them, followed by why the need for care was unmet (Indicator 4.2).

Notes, sources and further reading

Notes

Grey diamonds in all figures indicate differences between adjusted rates for immigrants and rates for native-born not statistically different from zero to a probability of 0.05.

All panel designs tend to under represent recent arrivals. In the case of EU-SILC the panel is renewed every four years. The samples are cross-sectionally representative only for the first wave of a new panel: only newly arriving immigrants who join a resident household, *e.g.* through family reunification and formation, are captured. In HILDA, new arrivals after 1999 are only included if they are in previously resident households. As Australia had significant intakes of migrants between 1999 and 2009, and has had an increased focus on highly educated labour migrants since the mid-1990s, the estimates thus tend to be biased.

Sources

European Union Statistics on Income and Living Conditions (EU-SILC) 2009; Swiss Household Panel (SHP) 2009; Household, Income, and Labour Dynamics in Australia (HILDA) 2009; Canadian Community Health Survey (CCHS) 2007-2008; US National Health Interview Survey (NHIS) 2010.

Further reading

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Chapter 5

Education of native-born offspring of immigrants

Educational outcomes are associated with labour market outcomes and some aspects of social integration. Immigrants' educational attainment cannot be considered as an outcome of the integration process, since most migrants have obtained their education abroad. However, the education of the native-born children of immigrants, raised and educated in the country of residence, is a major integration outcome and it is indeed considered a benchmark for integration at large because of the broader implications of education.

Personal cognitive skills, the household environment and socio-economic background (in particular educational attainment of the parents) are some of the most important determinants of individuals' educational outcomes. Language spoken at home is also a key factor that affects language skills. In addition, other disadvantages, such as attendance in schools with a high proportion of economically disadvantaged families, tend to correlate with poor educational outcomes. Conversely, participation in early childhood education and care can be a positive driver of final educational outcomes, particularly for children from immigrant and low-income families.

This chapter examines the participation in pre-primary education (Indicator 5.1); the reading skills at the age of 15 (Indicator 5.2) as well as the information on the highest educational level achieved (Indicator 5.3). For a discussion on these indicators, refer to the section "Measurement" at the end of this chapter.

5.1. Pre-primary education

Background information

Pre-primary education corresponds to all forms of organised centre-based activities, like pre-schools, kindergartens and day-care centres. These programmes are not compulsory and are proposed to children from the age of three or four, depending on the country. In some countries, part of these programmes are offered for free.

Statistics on attendance in pre-primary education were obtained from the OECD Programme for International Student Assessment (PISA) 2009. Students taking the PISA test are asked if they attended pre-primary education for at least one year. This implies that students refer to their own situation 10 to 13 years before the date of their skill assessment. The attendance rate should therefore be analysed with caution. Furthermore, there is some discrepancy in the quality and duration of the programmes attended, which may affect the extent to which attending such programmes may have an impact or not on skills at age 15. The attendance rates of native-born children of immigrants and the impact on their skills at the age of 15 are compared with those of children of native-born. For the purposes of this study, it is understood that both parents of native-born children of immigrants are born abroad. Children of native-born have at least one parent born in the country of residence.

On average around 76% of native-born children of immigrants attended pre-primary education for at least one year in the OECD area, an attendance 3 percentage points lower than that of offspring of native-born (Figure 5.1). Native-born children of immigrants are only slightly less likely to have attended pre-primary education than children of native-born in most OECD countries. The variation throughout OECD countries is much larger than the variation within individual countries (between native-born children of immigrants and children of native-born). In Canada, Finland, Israel*, Slovenia and Switzerland, native-born children of immigrants are slightly more likely to attend such programmes than children of native-born.

In countries that offer free pre-primary programmes, attendance rates are generally higher than 80% and differences with children of native-born are negligible. Conversely, in countries where most programmes imply the payment of fees by families (as it is the case in the United States, except for disadvantaged families, in Australia and New Zealand), or where the demand from families is not high or where pre-primary services are generally offered from age four or five (Greece, Ireland), attendance rates are much lower, both for native-born children of immigrants and children of native-born.

With the exception of Canada and Ireland, attendance rates of native-born children of immigrants are significantly lower than those of children of native-born in countries with low attendance rates for both groups (Australia, Greece, Mexico and New Zealand) but also in Italy and Germany.

Although all children can be expected to benefit from attendance in pre-primary education, attendance can be especially beneficial for children of immigrants, in particular those who do not speak the host-country language at home. On average in OECD countries, the benefit of attending pre-primary education in terms of reading skills at age 15 is higher for native-born children of immigrants than for children of native-born (premium of 40 points, equivalent to roughly one year of formal schooling, compared with 27 points for children of native-born, Figure 5.2).

The positive differential in premium for native-born children of immigrants compared with the one calculated for children of native-born is particularly high in Greece and Norway, and to a lesser extent in Switzerland. This result is of particular interest for Greece where attendance rates for native-born children of immigrants are relatively low. The differential in premium is highest in Belgium and France, where most students participate in pre-primary education. This seems to indicate that the few children not participating in pre-primary education have specific characteristics in those two countries.

Figure 5.1. **Attendance in pre-primary education for at least one year, native-born children of immigrants and children of native-born whose reading skills have been assessed in 2009**

Percentage

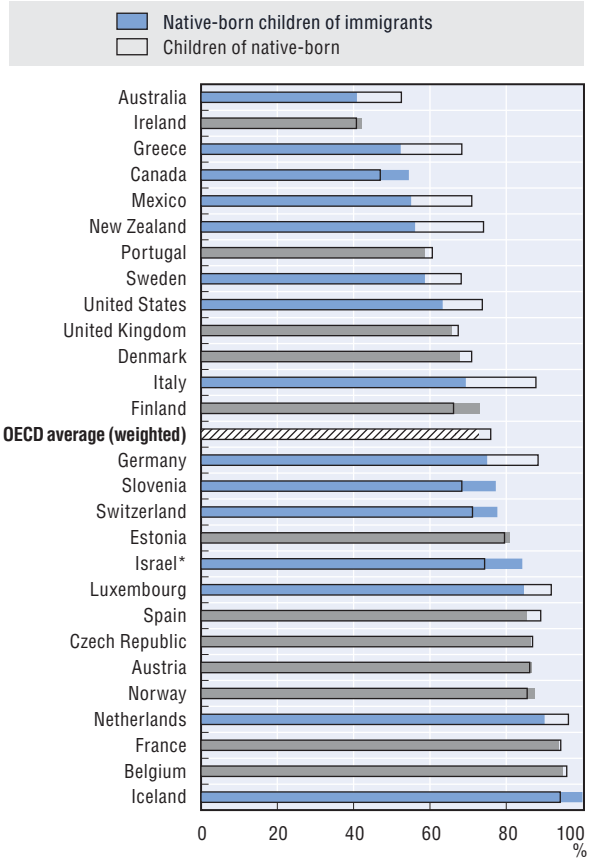

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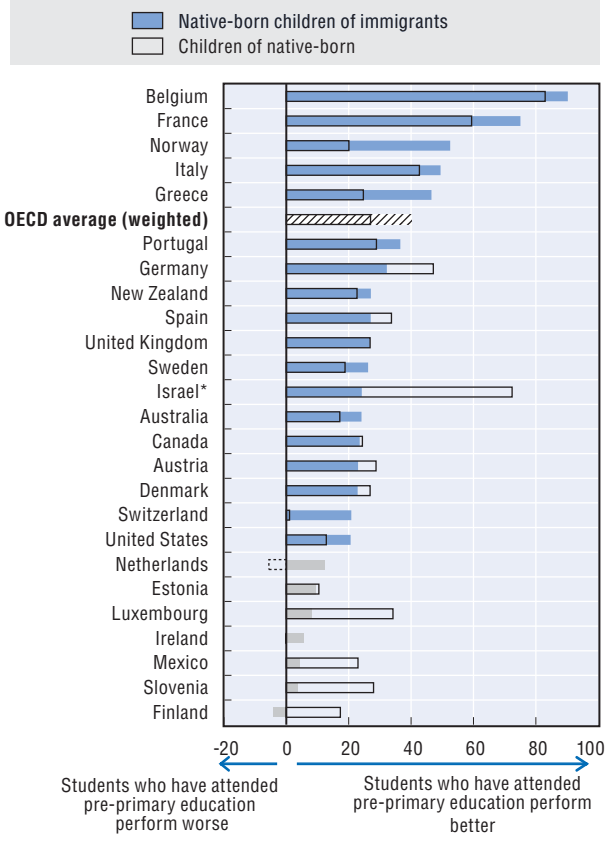
Figure 5.2. **Difference in PISA reading scores between children who attended pre-primary education (for at least one year) and those who did not, children of native-born and native-born children of immigrants, 2009**

Difference in points



StatLink http://dx.doi.org/10.1787/888932734989

Notes and sources are at the end of the chapter.

5.2. Reading skills at age 15

Background information

Student performance on reading is based on the OECD Programme for International Student Assessment (PISA).

The mean reading score of both immigrants and native-born children of immigrants are compared with those of the children of native-born. For the purposes of this study, it is understood that both parents of native-born children of immigrants are born abroad. Children of native-born have at least one parent born in the country of residence. Immigrants are born abroad.

On average in the OECD area, reading test scores of immigrant students are 54 points lower than those of children of native-born. In most OECD countries, reading skills of native-born children of immigrants are in between those of immigrant students and those of children of native-born. Reading scores of native-born children of immigrants are 36 points lower than those of native-born (Figure 5.3). The highest reading skill gaps between immigrant and children of native-born are found in Mexico, in some Nordic countries (Denmark, Finland, Iceland and Sweden) as well as in some Western European countries, such as Austria, Belgium, France, Germany, Italy and Luxembourg.

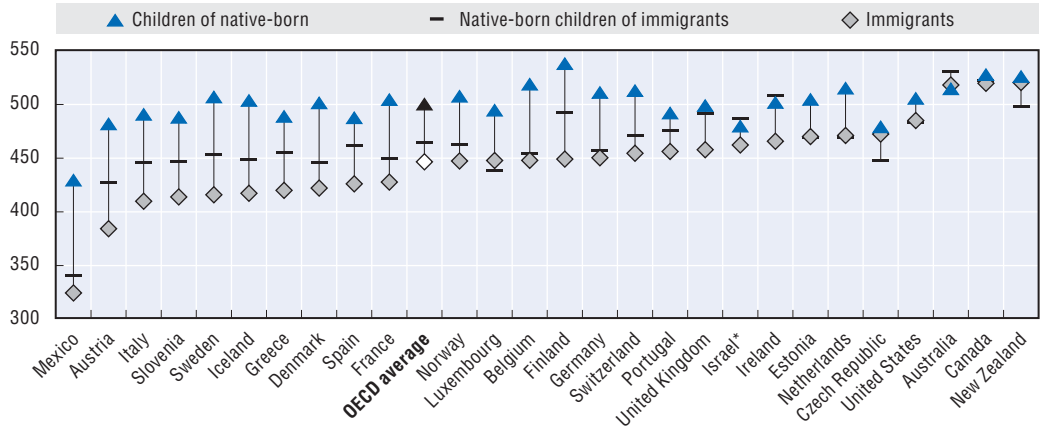
If household background characteristics are held constant, the reading score differences for both immigrants and native-born children of immigrants compared with children of native-born are reduced in most countries. On average, the reading score difference is reduced from 36 to 20 points for native-born children of immigrants and from 54 to 36 points for immigrant students. However, the differences increase after controlling for socio-economic characteristics in Australia, Canada, Israel and the United States (see Table 5.A1.1).

Most disadvantaged migrants are those not speaking the host-country language. The reading score penalty for not speaking the test language at home is around 27 points for native-born children of immigrants and around 30 points for immigrants on average in the OECD area (Figure 5.4). The penalty for not speaking the test language at home is even higher for both groups (over 60 points differential) in Luxembourg and Norway, and for native-born children of immigrant in Portugal and New Zealand.

Immigrant students benefit from an early arrival (Figure 5.5). On average, immigrant students that arrived between ages 11 and 16 have a reading score of about 40 score points lower than an immigrant student that arrived before age 6. This corresponds to about one year less of formal schooling. Arrival between 6 and 10 years of age corresponds to a smaller difference of about 12 points, compared with arrival before age 6. The difference between late and early arrival is especially large (over 60 points) in Belgium, Czech Republic, Germany, Iceland, Israel and Sweden. By contrast, there are few differences in Austria, Luxembourg, Switzerland and the United Kingdom.

Average reading score differences with children of native-born have fallen between 2000 and 2009. These improvements have been observed for immigrant students and, to a lesser extent, for native-born children of immigrants as well (Table 5.A1.2). Reading score differences between immigrants and children of native-born have declined the most from 2000 to 2009 in Czech Republic, Germany, Luxembourg, the Netherlands, New Zealand, Switzerland, the United Kingdom and the United States. However, the differences increased in some southern European countries (Italy, Spain and Portugal), as well as in Denmark, Iceland, Ireland and Sweden.

Figure 5.3. **Mean PISA reading scores by place of birth and parents' place of birth, 2009**



StatLink http://dx.doi.org/10.1787/888932735008

Figure 5.4. **Difference in PISA reading scores between children who generally speak the test language at home and those who do not, native-born offspring of immigrants and immigrants, 2009**

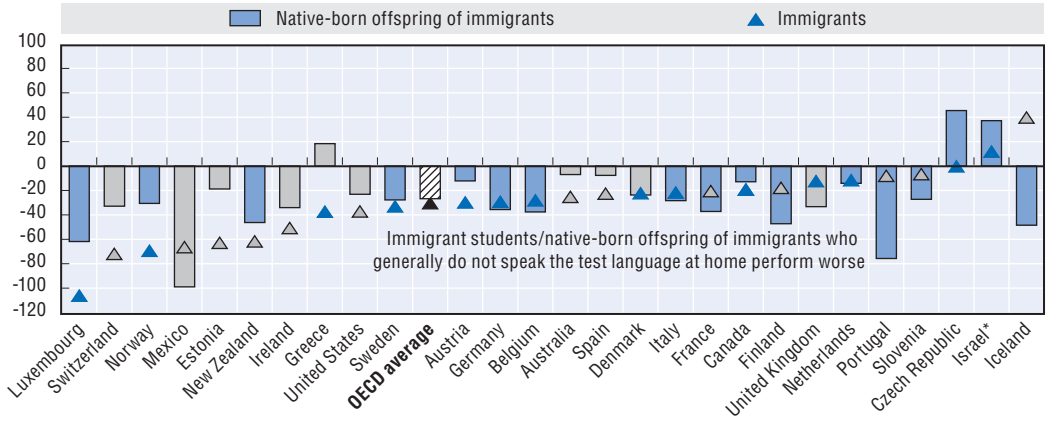


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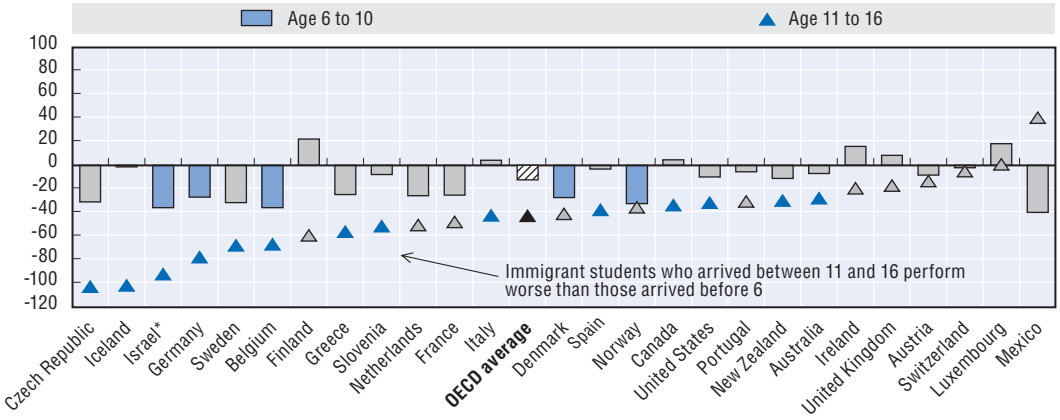
Figure 5.5. **Difference in PISA reading scores by age at arrival, 2009**

Reference group = immigrant students entered before the age of 6



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Notes and sources are at the end of the chapter.

5.3. Educational attainment

Background information

Educational attainment levels are defined in this publication according to the International Standard Classification of Education (ISCED 1997).”’Low-educated” persons are in ISCED category 0/1/2 and have completed at best lower secondary education. “Medium-educated” persons are in ISCED category 3/4 and have completed either upper secondary or post-secondary non-tertiary education. “Highly educated” persons are in ISCED category 5/6 and hold at least a first stage tertiary degree.

In this section, educational attainment is measured for the population aged 25 to 34, when most persons have completed formal education. Those still in education have generally already obtained a first tertiary qualification; they are thus “highly educated” and will remain so whether or not they complete a programme at a higher level.

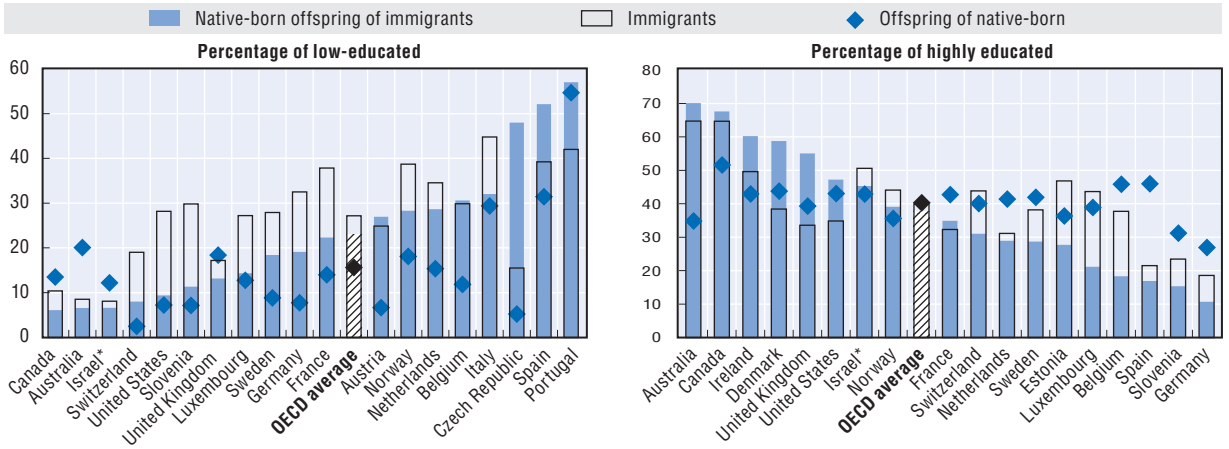
The native-born offspring of immigrants are defined as persons born in the country of residence both of whose parents are foreign-born. Immigrants are foreign-born persons. “Children of native-born” consist of persons for whom at least one parent is native-born.

On average across OECD countries, one third of native-born offspring of immigrants aged 25 to 34 years hold a university degree and about one out of five have completed at best lower secondary education (Figure 5.6). In terms of the proportion of low-educated, the outcomes for native-born offspring of immigrants are generally in between those of immigrants (faring worse) and those of offspring of native-born (faring better). However, the situation varies widely across OECD countries and generally differ between men and women. At least 60% of native-born offspring of immigrants hold a university degree in Australia, Canada, Denmark and Ireland. In those countries, as well as in the United Kingdom and the United States, the native-born offspring of immigrants are more likely to have completed tertiary education than the offspring of the native-born. In most other OECD countries, the reverse is true. The educational attainment of the native-born offspring of immigrants is particularly low in Portugal and Spain, where more than half of them have completed at best lower secondary education compared with 40% of the immigrants aged 25 to 34.

The under-representation of highly educated is particularly pronounced among male and female native-born offspring of immigrants in Belgium, Germany, Luxembourg and Spain (Figure 5.7). Conversely, in Australia, Canada, Denmark and the United Kingdom, the native-born offspring of immigrants both men and women are overrepresented among the highly educated. Immigrants are generally underrepresented among highly educated. Notable exeptions are Australia and Canada.

With the exception of Switzerland, female native-born offspring of immigrants are more likely to be highly educated than their male counterparts (Figure 5.8). This educational gender gap is particularly pronounced in Canada, France, Israel and Slovenia. The gender gap is generally lower among immigrants than among native-born offspring of immigrants. This is particularly the case in Canada, France and Sweden. In this latter country, as well as in Luxembourg and the United Kingdom, the educational gender gap is negligible among immigrants.

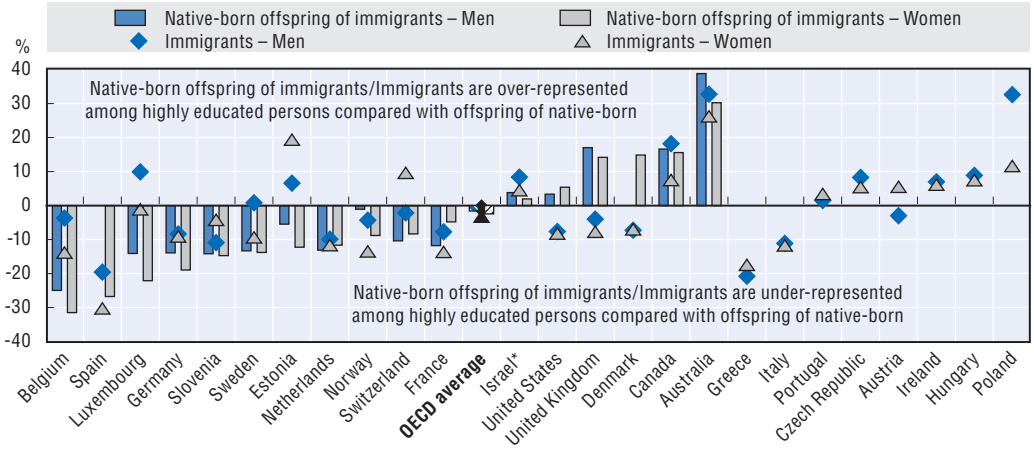
Figure 5.6. **Educational attainment of persons aged 25 to 34, including persons still in education, by place of birth and parents' place of birth, 2008**



StatLink http://dx.doi.org/10.1787/888932736414

Figure 5.7. **Difference in the proportion of highly educated native-born offspring of immigrants and immigrants compared with that of the offspring of native-born aged 25 to 34, by gender, 2008**

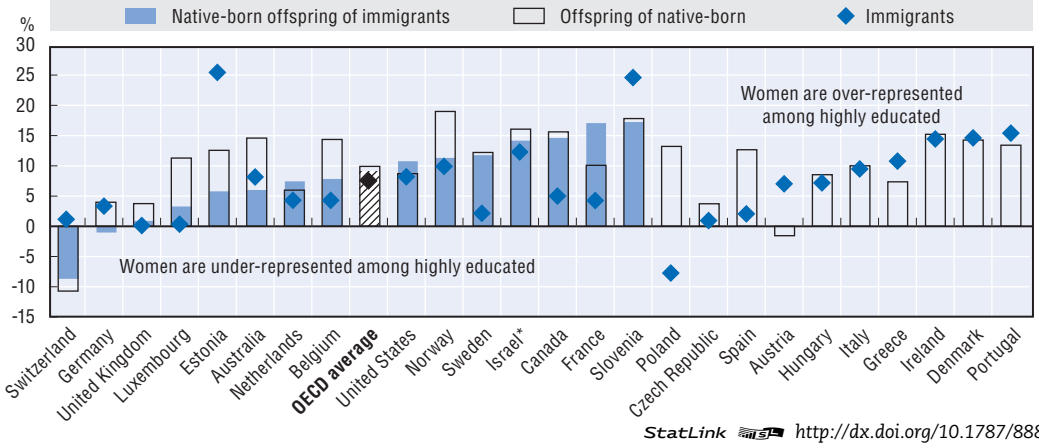
Difference in percentage points



StatLink http://dx.doi.org/10.1787/888932736433

Figure 5.8. **Gender gap in the proportion of highly educated native-born offspring of immigrants, immigrants and offspring of native-born aged 25 to 34, 2008**

Difference in percentage points



StatLink http://dx.doi.org/10.1787/888932735065

Notes and sources are at the end of the chapter.

Measurement

The OECD Programme for International Students Assessment (PISA) assesses the extent to which students at the end of compulsory education have acquired some of the knowledge and skills that are essential to fully participate in modern societies, with a focus on reading, mathematics and science. PISA covers students aged between 15 years and 3 months and 16 years and 2 months at the time of the assessment. Students assessed have completed at least six years of formal schooling, regardless of the type of institution in which they are enrolled, whether full-time or part-time, in academic or vocational programmes, and in public or private schools or foreign schools within the country.

This chapter uses some of the information available from PISA on participation in pre-primary education (Indicator 5.1) and on reading skills at the age of 15 (Indicator 5.2). Information on the highest educational level achieved is also reported for persons aged 25 to 34, when initial education is generally completed for low, medium and first-stage tertiary programmes (Indicator 5.3). These data are obtained from labour force surveys. Results are not shown for persons older than 34 because of the small number of native-born offspring of immigrants in this age range in many OECD countries.

There is considerable heterogeneity within each educational level and further information would be needed to better assess individuals' knowledge and skills. The OECD Programme for the International Assessment of Adult Competencies (PIAAC), a sort of PISA for adults, is a unique tool to evaluate adult's actual competences. However, the first results of this survey are not available at the time of writing this report.

Notes, sources and further reading

Notes

Indicators 5.1 and 5.2: PISA results include only countries with at least 30 students from five different schools in the sample.

Figures 5.1 and 5.2, 5.4 and 5.5: Grey bars/diamonds indicate countries for which differences between the two groups are not statistically significant at 5%.

Figures 5.7 and 5.8: The OECD average includes countries which cannot be presented individually for sample size issues.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Sources

Indicators 5.1 and 5.2: OECD Programme for International Student Assessment (PISA) 2000 and 2009.

Indicator 5.3: European Labour Force Survey, 2008 ad-hoc module (Eurostat); Australian Survey of Education and Training 2009; 2006 Canadian census; Israeli Labour Force Survey 2009; US Current Population Survey (CPS) 2008.

Further reading

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ANNEX 5.A1

Statistical annex

Table 5.A1.1. **Difference in PISA reading scores of native-born children of immigrants and immigrants compared with those of children of native-born, before and after accounting for socio-economic background, 2009**

	Native-born children of immigrants		Immigrants	
	Before accounting for socio-economic background	After accounting for socio-economic background	Before accounting for socio-economic background	After accounting for socio-economic background
Australia	**16**	**19**	3	2
Austria	**–55**	**–26**	**–98**	**–61**
Belgium	**–65**	**–37**	**–71**	**–46**
Canada	–5	1	–8	**–9**
Czech Republic	–31	–21	–7	–11
Denmark	**–56**	**–27**	**–79**	**–54**
Estonia	**–35**	**–34**	**–35**	**–36**
Finland	**–45**	**–42**	**–89**	**–75**
France	**–55**	**–26**	**–77**	**–43**
Germany	**–54**	**–23**	**–61**	**–35**
Greece	**–33**	**–21**	**–69**	**–42**
Iceland	–55	–46	**–87**	**–64**
Ireland	6	4	**–36**	**–41**
Israel*	7	**21**	**–18**	9
Italy	**–45**	**–31**	**–81**	**–60**
Luxembourg	**–56**	**–18**	**–47**	**–20**
Mexico	**–89**	**–77**	**–105**	**–91**
Netherlands	**–46**	–16	**–44**	–11
New Zealand	**–28**	**–14**	–6	**–13**
Norway	**–45**	**–31**	**–60**	**–36**
Portugal	–16	–13	**–36**	**–35**
Slovenia	**–41**	**–19**	**–74**	**–45**
Spain	**–26**	**–20**	**–62**	**–47**
Sweden	**–53**	**–33**	**–91**	**–56**
Switzerland	**–42**	**–20**	**–58**	**–41**
United Kingdom	–7	–3	**–41**	**–28**
United States	**–22**	8	**–21**	11
OECD average	**–36**	**–20**	**–54**	**–36**

Note: Differences in bold are statistically different from zero at a 5% level.
* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.
Source: OECD Programme for International Student Assessment (PISA) 2009.

StatLink *http://dx.doi.org/10.1787/888932736053*

Table 5.A1.2. **Difference in PISA reading scores of immigrants and native-born children of immigrants compared with those of children of native-born, 2000 and 2009**

	Native-born offspring of immigrants		Immigrant students	
	2000	2009	2000	2009
Australia	**–2**	**16**	**–18**	**3**
Austria	**–62**	**–55**	**–92**	**–98**
Belgium	**–111**	**–65**	**–89**	**–71**
Canada	**2**	**–5**	**–27**	**–8**
Czech Republic	**–40**	**–31**	**–33**	**–7**
Denmark	**–94**	**–56**	**–71**	**–79**
Finland	**–30**	**–45**	**–80**	**–89**
France	**–41**	**–55**	**–76**	**–77**
Germany	**–73**	**–54**	**–88**	**–61**
Greece	**33**	**–33**	**–75**	**–69**
Iceland	**–51**	**–55**	**–67**	**–87**
Ireland	**–2**	**6**	**46**	**–36**
Italy	**–18**	**–45**	**–44**	**–81**
Luxembourg	**–74**	**–56**	**–103**	**–47**
Mexico	**–46**	**–89**	**–97**	**–105**
Netherlands	**–72**	**–46**	**–87**	**–44**
New Zealand	**–27**	**–28**	**–29**	**–6**
Norway	**–46**	**–45**	**–62**	**–60**
Portugal	**–8**	**–16**	**–21**	**–36**
Spain	**–44**	**–26**	**–34**	**–62**
Sweden	**–39**	**–53**	**–73**	**–91**
Switzerland	**–54**	**–42**	**–111**	**–58**
United Kingdom	**–20**	**–7**	**–71**	**–41**
United States	**–33**	**–22**	**–45**	**–21**
OECD average	**–40**	**–38**	**–60**	**–55**

Note: Differences in bold are statistically different from zero at a 5% level.
Source: OECD Programme for International Student Assessment (PISA) 2000 and 2009.

StatLink http://dx.doi.org/10.1787/888932736376

Table 5.A1.3. **Educational attainment of native-born offspring of immigrants, immigrants and offspring of native-born aged 25 to 34, by gender, 2008**

	Men						Women					
	Native-born offspring of immigrants		Immigrants		Offspring of native-born		Native-born offspring of immigrants		Immigrants		Offspring of native-born	
	ISCED 0/1/2	ISCED 5/6	ISCED 0/1/2	ISCED 5/6	ISCED 0/1/2	ISCED 5/6	ISCED 0/1/2	ISCED 5/6	ISCED 0/1/2	ISCED 5/6	ISCED 0/1/2	ISCED 5/6
Australia	4.1	66.6	7.4	60.5	20.8	27.8	8.3	72.6	9.6	68.7	19.3	42.3
Austria	22.3	–	25.2	18.4	5.2	21.4	31.0	–	24.7	25.4	8.2	19.8
Belgium	35.0	14.1	34.3	35.4	15.7	39.1	26.8	21.9	26.3	39.7	7.6	53.4
Canada	8.0	60.4	11.2	62.0	15.8	43.8	4.1	75.0	9.7	67.0	11.1	59.4
Czech Republic	54.4	–	11.1	24.8	4.6	16.5	37.9	–	20.4	25.7	5.9	20.2
Denmark	–	–	53.8	29.6	14.2	36.9	–	66.0	21.3	44.3	10.6	51.2
Estonia	17.1	24.7	–	36.8	17.4	30.2	–	30.5		62.2	14.1	42.8
France	25.4	26.0	40.3	30.1	14.9	37.8	19.5	43.1	35.7	34.3	13.0	47.9
Germany	16.4	11.2	33.4	16.7	8.2	25.1	22.3	10.2	31.8	20.1	7.3	29.1
Greece	–	–	66.7	5.4	25.6	26.2	–	–	46.4	16.2	15.8	33.6
Hungary	–	–	–	28.3	14.8	19.5	–	–	14.7	35.5	14.1	28.0
Ireland	–	–	12.2	42.4	21.8	35.4	–	–	9.1	56.8	13.5	50.6
Israel*	9.3	38.0	9.7	42.6	14.5	34.2	3.6	52.2	6.8	54.9	9.9	50.3
Italy	57.5	–	51.7	5.1	33.4	16.3	–	–	39.3	14.6	25.2	26.3
Luxembourg	18.2	19.5	26.6	43.5	14.8	33.6	–	22.8	27.8	43.8	10.6	44.8
Netherlands	32.4	25.5	36.6	28.7	17.7	38.6	22.4	32.9	33.0	33.0	12.9	44.6
Norway	34.0	33.7	42.8	30.5	21.0	34.8	22.0	45.0	35.0	40.4	14.9	53.8
Poland	–	–	–	58.4	8.2	25.7	–	–	–	50.6	6.1	38.9
Portugal	–	–	44.2	17.6	61.8	16.1	69.5	–	39.8	33.0	47.4	29.5
Slovenia	13.0	8.5	29.5	11.8	8.8	22.7	8.8	25.8	30.2	36.4	5.4	40.5
Spain	47.9	–	38.5	20.5	36.3	40.0	56.8	26.0	40.0	22.5	26.2	52.7
Sweden	22.3	22.9	31.7	37.0	10.1	36.2	14.5	34.6	24.9	39.2	7.5	48.4
Switzerland	6.6	35.1	18.1	43.3	2.0	45.4	9.7	26.4	19.9	44.4	3.0	34.7
United Kingdom	14.9	54.6	15.4	33.5	19.3	37.5	11.7	55.5	19.1	33.7	17.5	41.3
United States	10.0	42.0	31.8	31.1	8.1	38.7	8.7	52.8	23.9	39.3	6.4	47.4
OECD average	**23.6**	**26.2**	**27.7**	**31.8**	**17.4**	**31.2**	**20.6**	**35.8**	**23.6**	**39.3**	**13.3**	**41.3**

Note: OECD averages take into account percentages that are not presented individually for sample size issues. Not taking these percentages into account would result in overestimating the percentages.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: Australian Survey of Education and Training 2009; European Labour Force Survey 2008, ad-hoc module (Eurostat); Israeli Labour Force Survey 2009; US Current Population Survey 2008.

StatLink *http://dx.doi.org/10.1787/888932736072*

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Chapter 6

Labour market outcomes

Employment provides the main source of income for most migrants. However, integrating immigrants and their offspring into the labour market is not only important from an economic perspective, but also has implications for integration in society as a whole, such as finding housing, learning the host country language and making contacts with the native-born population. However, it does not necessarily guarantee social integration.

Labour migrants tend always to be better positioned in the labour market than migrants who arrive for family or humanitarian reasons. Over time, migrants progressively acquire the specific human capital they need to succeed in the host country labour market. The most important component of this host country specific human capital is the host country language, although other factors such as knowledge about the functioning of the labour market and access to networks are also essential.

Participation in the labour market is also strongly driven by socio-demographic characteristics, in particular gender, education and age. Men have on average a higher employment rate than women, and higher education eases integration in the labour market for both genders. Likewise, the highest labour market participation is reached between 25 and 54.

Native-born offspring of immigrants do not face problems related to their human capital transferability to the host country as they are raised and educated in this country and speak its language. Labour market opportunities for native-born offspring of immigrants should therefore be equivalent to those of offspring of native-born parents with comparable socio-demographic characteristics. However, in many OECD countries, this is not the case, since networks and specific knowledge about the functioning of the labour market in the destination country does not always exist in families where both parents are foreign-born. Moreover, discrimination in hiring procedures may occur.

In this chapter, three indicators are presented: employment (Indicator 6.1) and unemployment rates (Indicator 6.2) as well as the share of the NEET group (Indicator 6.3). For a discussion on these indicators, refer to the section "Measurement" at the end of this chapter.

6.1. Employment

Outcomes and trends

Background information

The employment rate gives the proportion of employed persons among the working-age population (age group 15 to 64). The data provided below are based on the following definition of "employment" used by the International Labour Organisation: those who worked for any amount of time, even if only for one hour, in the course of the reference week or had a job but were absent from work. It includes both dependent employment and self-employment. This definition differs from that used in national statistics in some countries, which define as "employed" those who are registered by the employment services. Adjusted foreign-born employment rates are calculated on the assumption that the foreign-born population had the same age and educational characteristics as the native-born population.

In 2009-10, the average employment rate among immigrants across OECD countries was 64% (72% among men and 56% among women). These rates range from less than 55% in Belgium, Poland and Turkey to more than 75% in Iceland and Switzerland. In countries where labour migration constitutes the bulk of flows, employment rates for foreign-born are particularly high (*e.g.,* Portugal and Switzerland) (Figure 6.1).

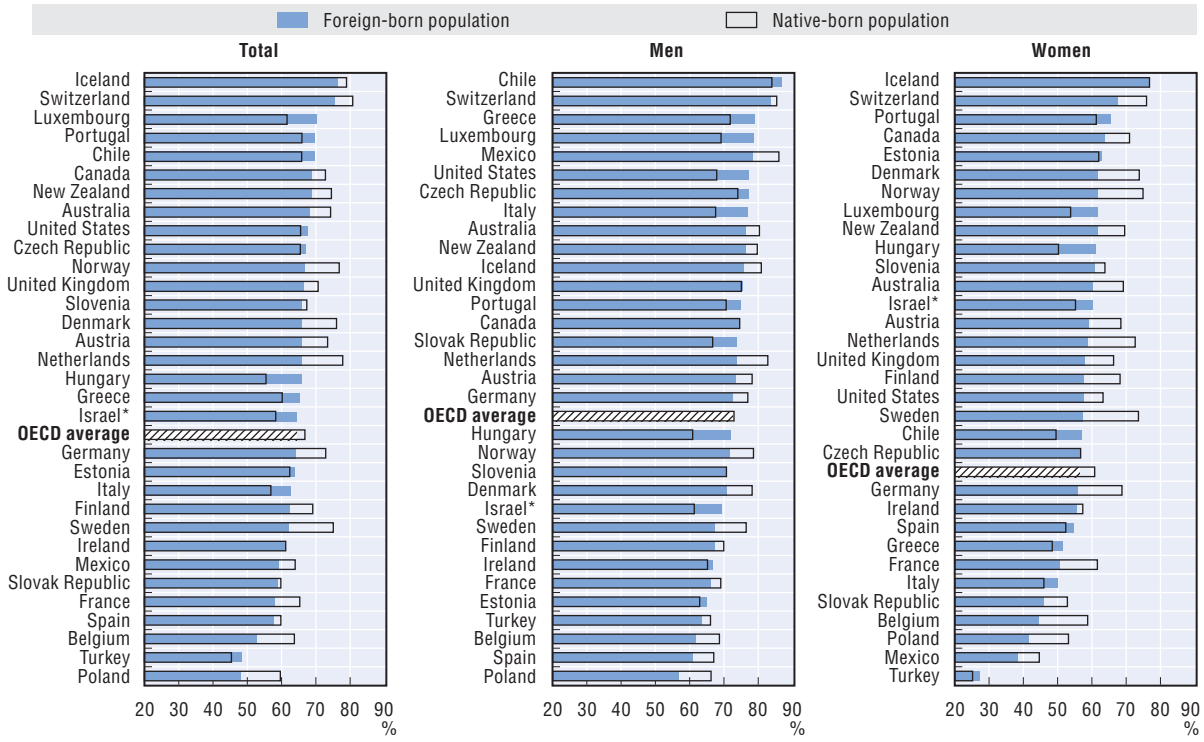
Overall, the immigrant population is generally less likely to be employed than the native-born population. The differences compared with the native-born are usually larger among women than among men (Figure 6.A1.1). In Belgium, where the employment rate of immigrant women is particularly low (44.2%), and to a lesser extent in France and Germany, the gap with native-born women is large (more than 10% points). This gap is also large in the Netherlands, Norway and Sweden where native-born women have high employment rates. The same result is observed, with smaller gaps with the native-born, in Australia, Canada, Denmark, New Zealand and Switzerland. In southern Europe, as well as in Estonia, Hungary, Israel*, Luxembourg and Turkey, immigrant women are more likely to be employed than their native counterparts. The situation is more mixed among immigrant men. In a number of countries, they have relatively high employment rates and are more likely to be employed than their native-born counterparts (Czech Republic, Greece, Italy, Luxembourg and the United States) or are as likely to be employed (Switzerland).

Higher education eases integration into the labour market for both foreign and native-born populations. However, differences in employment rates of immigrants and native-born persons are much larger among the tertiary-educated than among persons with low educational attainment (Figure 6.2). On average over the OECD, low-educated immigrants have a higher employment rate than their native-born peers. This is particularly visible in countries that have had significant low-educated labour migration over the past decade, such as Greece, Italy and the United States. In contrast, in all countries with significant immigrant populations the highly educated immigrants have lower employment rates than the highly educated native-born. This suggests that the host-country labour market may not fully recognize the full value of immigrants' formal education (see Indicator 6.4 on overqualification).

When accounting for differences in the age composition of foreign- and native-born populations, the differences between the two groups tend to increase, as immigrants are generally overrepresented in the most active age group 25 to 44. The often less favourable educational structure counterbalances this partly; nevertheless differences tend to increase in most countries since the favourable age structure dominates the latter effect. In contrast, when singling out women, accounting for age and educational differences changes little, with the exception of Germany where differences in the educational structure are particularly strong (Figure 6.A1.1).

Figure 6.1. **Employment rates of foreign- and native-born populations aged 15 to 64 by gender, 2009-10**

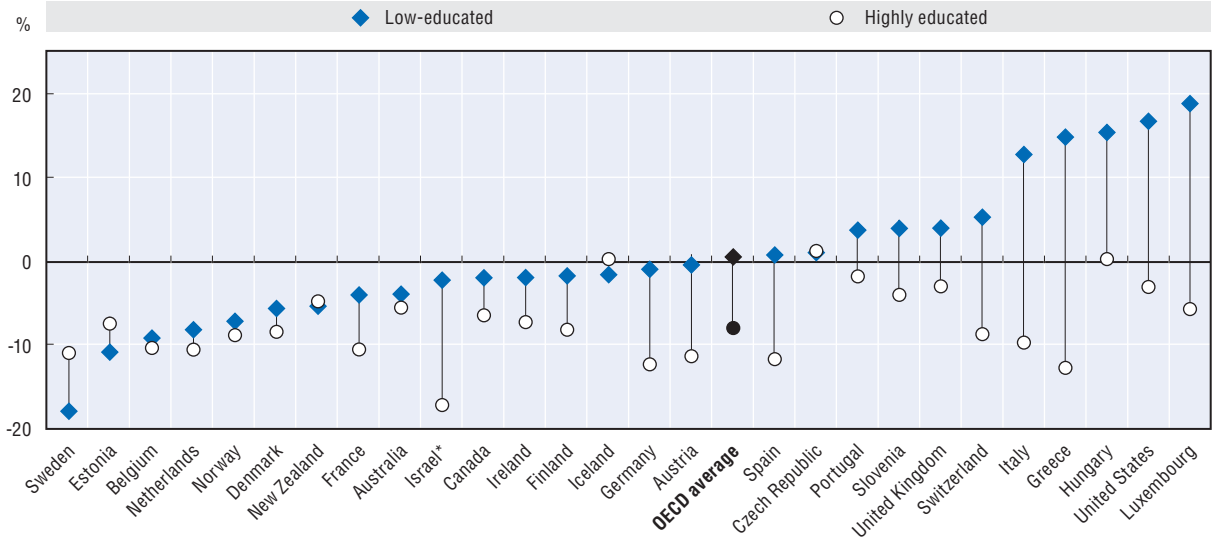
Percentage of the working-age population



StatLink http://dx.doi.org/10.1787/888932735084

Figure 6.2. **Difference in employment rate of foreign- and native-born populations aged 15 to 64 by educational level, 2009-10 (excluding persons still in school)**

Percentage points



StatLink http://dx.doi.org/10.1787/888932735103

Notes and sources are at the end of the chapter.

6.1. Employment

Outcomes and trends (cont.)

On average across OECD countries, the employment rate of immigrants increased by almost 1.5 percentage points in the past decade, despite the impact of the 2008 economic crisis. However, there have been strong gender differences. Whereas there has been a strong increase of 4.3 percentage points for immigrant women, the employment rate of immigrant men declined slightly by 1.1 percentage points.

Immigrant women have seen an improvement in employment rates in most countries (Figure 6.3). The increases were particularly strong in southern European countries where many immigrant women have arrived recently as labour migrants (+10 percentage points in Italy and +6 percentage points in Greece and Spain). There have also been notable increases in Hungary (+13 percentage points), Belgium and Germany (+8) as well as in Denmark and the Netherlands (+7). Only in Iceland has there been a strong decline (–8 percentage points).

The picture is more mixed among immigrant men. Some countries that had relatively low employment rates for immigrant men at the beginning of the decade have seen big improvements. This is the case, for example, in Germany (+5 percentage points), Denmark (+4) Finland and Sweden (+3). All these countries have put a great effort into labour market integration in recent years. The strongest increase – more than 10 percentage points – was, however, observed in New Zealand. Australia and the United Kingdom also had increases of more than 3 percentage points each, reflecting a strong focus on labour migration during the decade.

A sharp deterioration is, however, observed for immigrant men in Estonia, Iceland, Ireland, Italy and Spain. All these countries where hard hit by the crisis. With the exception of Estonia, these countries also had significant recent labour migration, often in cyclical sectors and low-skilled occupations, which tend to be particularly hit hard by declining labour market conditions during a downturn.

The evolution of immigrant employment rates can also be compared with that of the native-born, as is shown in Figure 6.4. In Denmark, Finland and the United Kingdom, the difference with the employment rates of the native-born tended to decrease since 2000-01, even if the immigrants remained less likely to be employed than their native-born counterparts in 2009-10. Conversely, immigrants' relative "advantage" (in terms of relative likelihood to be employed) disappeared in Spain and Mexico while the gap with the native-born remained roughly unchanged in Austria, Canada, France, Ireland and Switzerland. The same trend is observed in Greece, Italy and Luxembourg where immigrants are overall more likely to be employed than the native-born. Finally, in the United States, the employment rate decreased more among the native-born than among the immigrant population.

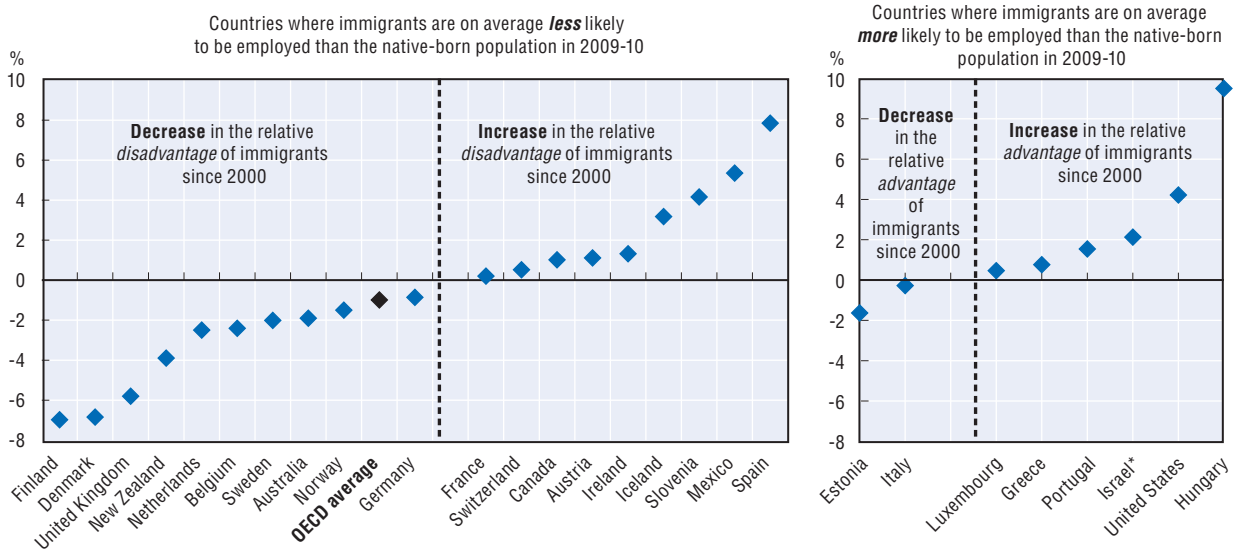
Figure 6.3. **Employment rates of the foreign-born population aged 15 to 64 by gender, 2000-01 and 2009-10**

Percentage of the working-age population (15-64)

StatLink http://dx.doi.org/10.1787/888932735122

Figure 6.4. **Change in the differences in employment rates of foreign- and native-born populations between 2000-01 and 2009-10**

Percentage points



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Notes and sources are at the end of the chapter.

6.1. Employment

Convergence

Background information

Immigrants raised and educated in their country of origin may need some time to acquire the specific human capital required to succeed in the country of residence. The most obvious example of this type of human capital is language, but it may also include knowledge of different work practices, industrial standards, legal systems and even cultural norms (for example, the need to oneself at a job interview). Over time, these immigrants are expected to show a range of labour market outcomes similar to those of persons born and educated in the host country. This process is generally described as convergence. The situation of immigrants who arrived at a very young age may, to some extent, be comparable to that of the native-born offspring of immigrants.

In this section, a first analysis compares the outcomes of recent migrants (those in the country for less than five years) with those of more settled migrants in 2009-10. However, this analysis does not allow for disentangling cohort effects from the impact of the duration of stay. Ideally, longitudinal data are needed to evaluate the convergence process. In the absence of such data for most countries, a "pseudo-cohort" analysis is carried out based on cross-sectional data by detailed duration of stay. That is, instead of directly following the outcomes of the same migrants over time, the outcomes of different random samples of immigrants who have all arrived in a certain year are observed in subsequent years. Since the number of immigrants with a specific year of arrival is small in most labour force surveys, data are presented for only 17 countries and are pooled over three years. Three different cohorts are presented below – migrants who entered in the country from 1994 to 1996 – referred to below as the 1994 cohort; the 1998 cohort, entered from 1998 to 2000; and the 2002 cohort, entered from 2002 to 2004.

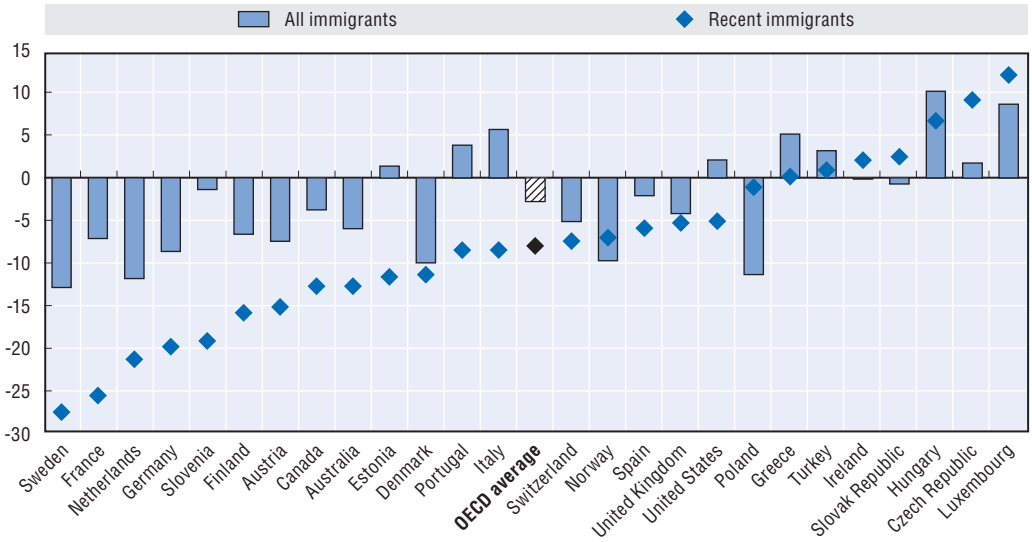
In most OECD countries, recent immigrants (those in the country for less than five years) are less likely to be employed than more settled migrants. This trend, however, is not observed in Norway, where settled migrants also face difficulties integrating in the labour market, nor in Luxembourg, where recent migrants are even more likely to be employed than their native-born counterparts (Figure 6.5).

On average across OECD countries for which pseudo-cohort analysis could be carried out, the 2002 cohort shows a strong improvement in employment rates overall by about 10 percentage points over the first five to six years. For all three cohorts, there is a halt in the convergence process after about eight years (Figure 6.6).

Overall, more recent cohorts depict better outcomes, in particular in the early years after arrival. This may be a result of a combination of factors, among which are an overall improvement in the employment situation after 2001, changes in the composition of flows with a larger share of labour migration in many countries, and enhanced focus on labour market integration for new arrivals. However, in countries where recent immigration consisted of labour migration to a large extent, with immigrants already having employment upon arrival – notably Ireland and Spain, as well as the United Kingdom and the United States – the economic crisis severely affected the 2002 cohort. The impact of the recent crisis on 1994 and 1998 cohorts is not visible in Figure 6.6 because the trend covers only the first ten years spent in the country of residence.

Figure 6.5. **Difference in employment rates of the foreign-born population (all and recent immigrants) compared with those of the native-born population (15-64), 2009-10**

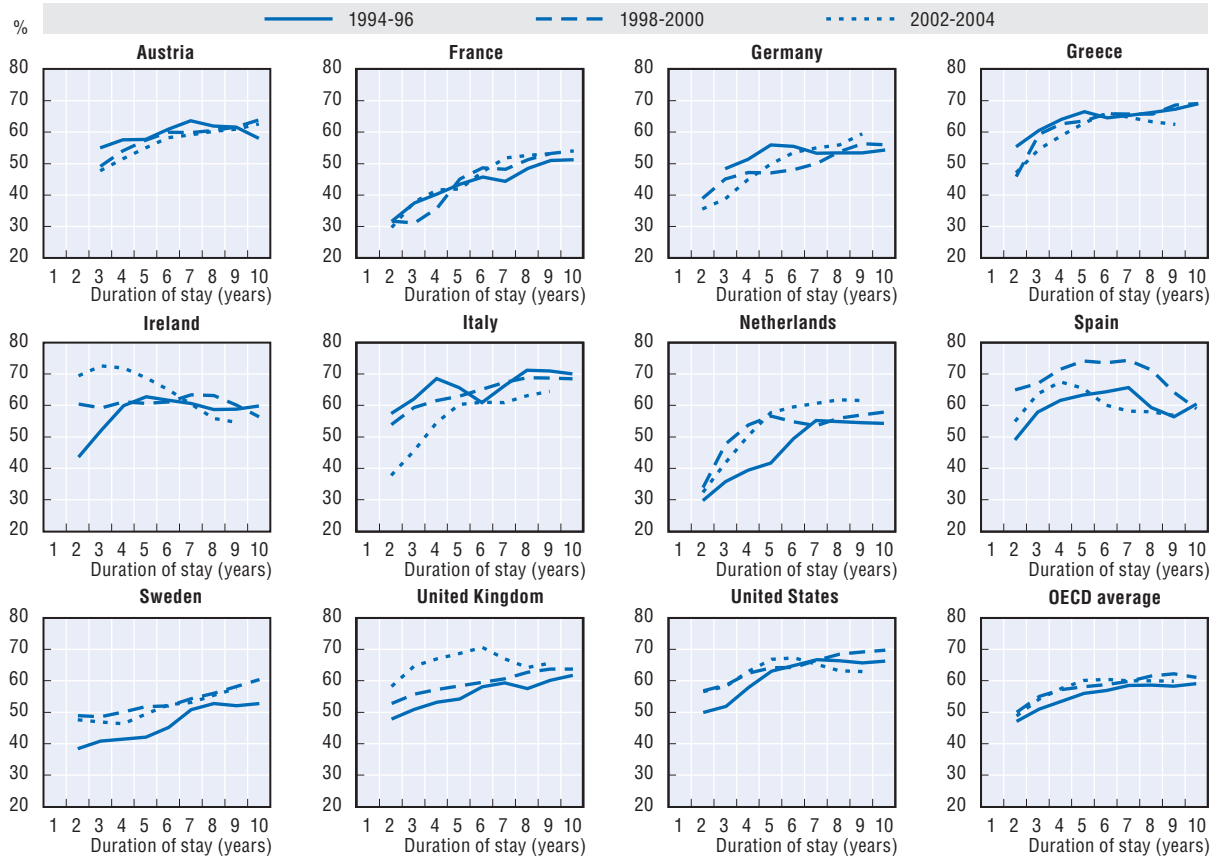
Percentage points



StatLink http://dx.doi.org/10.1787/888932735160

Figure 6.6. **Employment rate of the foreign-born population entered in 1994-96, 1998-2000 and 2002-04 by duration of stay, selected OECD countries**

Percentage of working-age population (15-64)



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Notes and sources are at the end of the chapter.

6.1. Employment

Native-born offspring of immigrants' outcomes

Background information

The population under review is between 15 to 34 years old and is not in education. The native-born offspring of immigrants are defined as persons born in the country of residence for whom both parents are foreign-born. The reference population consists of persons for whom at least one parent is native-born.

To capture the influence of differences in educational characteristics, adjusted gaps to the employment rates of the offspring of the native-born are presented, assuming native-born offspring of immigrants have the same distribution by age and education as their native counterparts.

In 2008, the native-born offspring of immigrants had an employment rate of 73% on average across OECD countries. In most OECD countries, the native-born offspring of immigrants have more trouble finding employment than do offspring of native-born. On average, the employment rate gap between these two population groups is around 10 percentage points. The gap is especially large in Belgium and Spain (around 27% points). In Estonia, Israel and Poland, on the other hand, the native-born offspring of immigrants have higher employment rates than their counterparts with native-born parents.

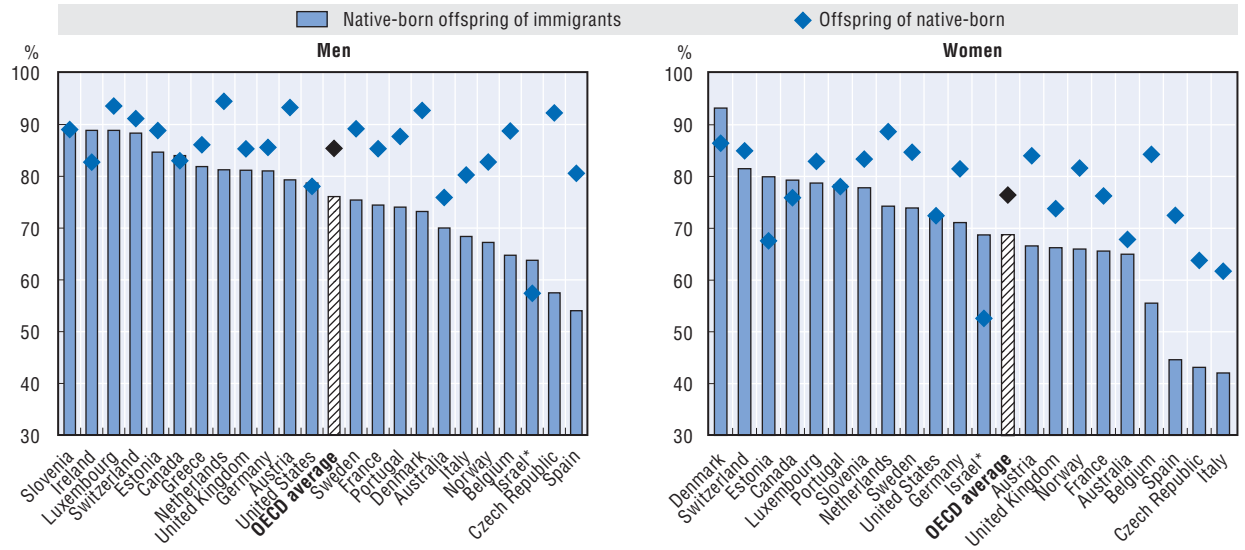
Although men with immigrant parents have on average poorer educational attainment levels than their female counterparts, women are less likely to be employed than men. Men with immigrant parents have employment rates around 77% and women 69% (Figure 6.7). The gender gap is generally bigger among native-born offspring of immigrants than among offspring of native-born. Notable exceptions are Denmark where the female employment rate of native-born offspring of immigrants is particularly high as well as Australia and Canada. In Canada, men and women have similar probability to be employed, whatever their parents' country of birth.

In many OECD countries, low-educated native-born offspring of immigrants lag behind children of native-born (Figure 6.8). The differences with the offspring of native-born are generally less pronounced among highly educated persons, except in Belgium where native-born offspring of immigrants lag behind whatever their level of education. In Spain, low-educated offspring of immigrants fare worse, but highly educated native-born offspring of immigrants do better than their counterparts with native-born parents. The opposite pattern is observed in Israel.

As shown in Figure 6.9, educational attainment levels explain a substantial part of the difference in employment rates between the native-born offspring of immigrants and the offspring of native-born parents in the Czech Republic, Germany and Switzerland, and to a lesser extent in Italy and Spain. In most other countries, the explanatory power of formal education is much smaller and a substantial unexplained gap remains.

Figure 6.7. **Employment rates by gender and parents' place of birth, persons aged 15 to 34 not in education, 2008**

Percentage of persons aged 15 to 34



StatLink http://dx.doi.org/10.1787/888932735198

Figure 6.8. **Difference in employment rates between native-born offspring of immigrants and offspring of native-born parents, by educational level, persons aged 15 to 34 not in education, 2008**

Percentage points

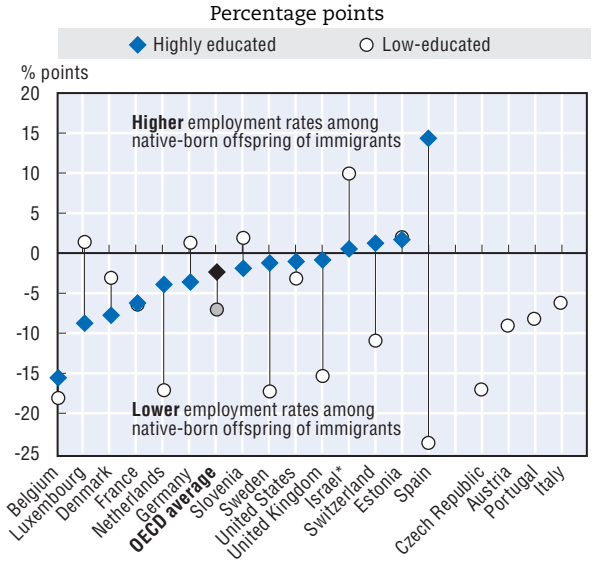


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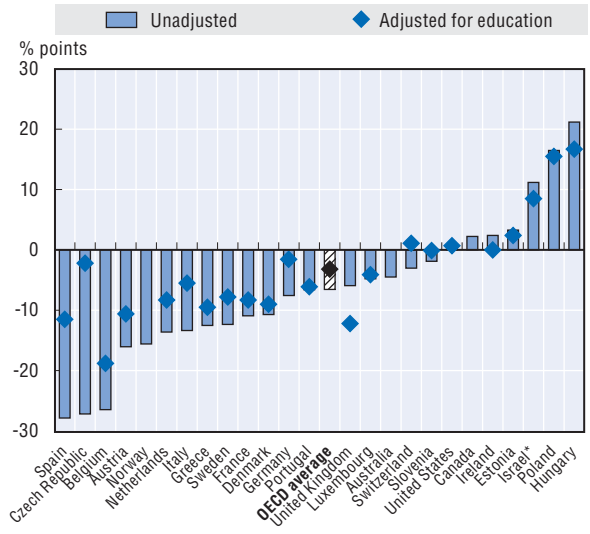
Figure 6.9. **Difference in employment rates of native-born offspring of immigrants and offspring of native-born parents, persons aged 15 to 34 not in education, 2008**

Percentage points



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Notes and sources are at the end of the chapter.

6.2. Unemployment

Outcomes and trends

Background information

The unemployment rate gives the proportion of unemployed persons among the labour force (*i.e.*, the employed plus the unemployed). According to the ILO definition, unemployed are persons without work, being available for work and currently seeking work. This definition, which is used below, differs from those in national unemployment statistics, which generally refer to those being registered as unemployed at the public employment service.

The share of long-term unemployed – the percentage of persons being unemployed for more than 12 months among the unemployed – is also presented below. It is a measure of the persistence of unemployment and thereby more broadly of social exclusion.

The figures are shown both for the population of working age (15 to 64 years old) and for youth (15 to 24 years old).

On average, the immigrant unemployment rate is about 1.5 times higher than that of the native-born – about 12% compared with 8% in 2009-10. In all OECD countries, with the exception of Hungary, the unemployment rate among immigrants is higher than that among the native-born (Figure 6.10). In Austria, Belgium, Finland, Luxembourg, the Netherlands, Norway, Sweden and Switzerland, the immigrant unemployment rate is even more than twice as high as that of the native-born population (Figure 6.11).

In terms of levels, the unemployment rate of the foreign-born has been highest in Spain (about 28%), followed by Estonia (19%) and Belgium (17%). Unemployment has been lowest in Australia and Luxembourg where it is below 7%.

Overall, there are few gender differences, both regarding the levels and the differences with the native-born. Only in Spain, Iceland and Ireland is the incidence of unemployment much larger among immigrant men than women. The reverse is the case for the Czech Republic, Greece, Italy and the Slovak Republic (Figure 6.12).

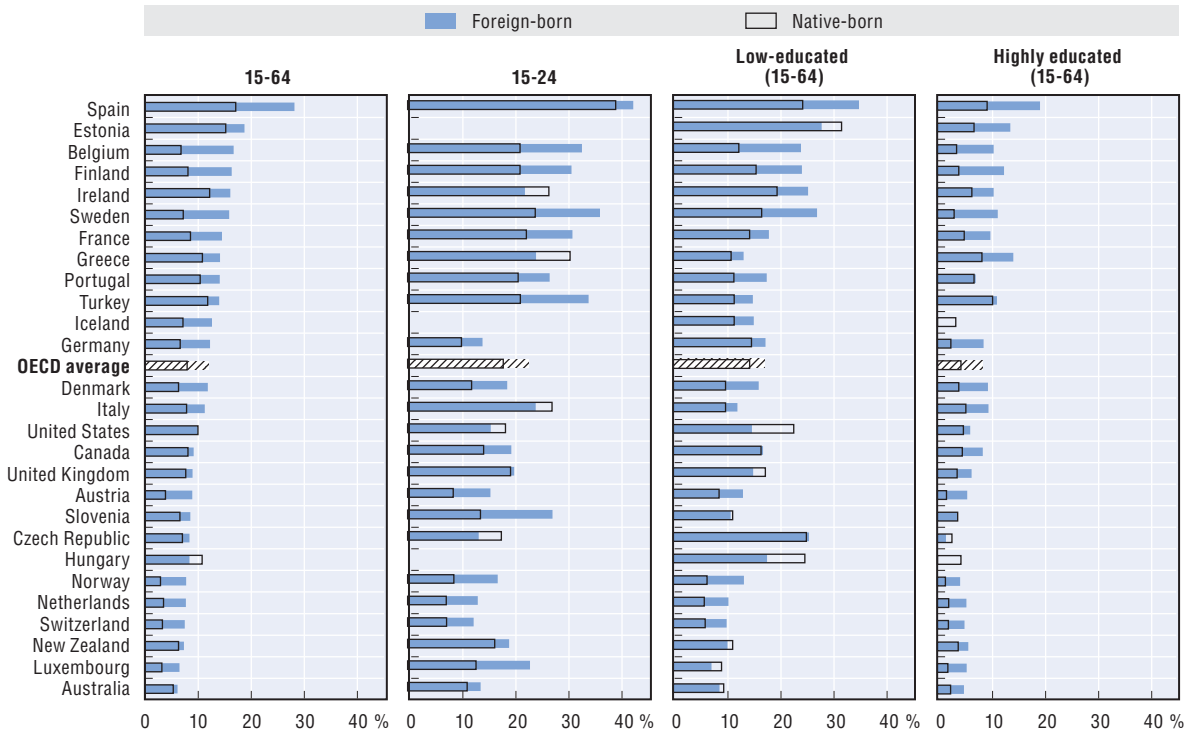
A particular problem in many OECD countries is youth unemployment (15 to 24 years old). On average across the OECD, the youth unemployment rate is more than twice as high as the overall unemployment rate. Again, immigrant youth tend to be disproportionately affected, with an average unemployment rate of almost 23%, compared with 18% for the native-born. However, there are some exceptions – namely the Czech Republic, Greece, Ireland, Italy and the United States – where unemployment among immigrant youth is lower than among native youth.

In six OECD countries, the unemployment rate among immigrant youth is above 30%: Belgium, France, Finland, Spain, Sweden and Turkey. The lowest rate among immigrant youth is observed in Switzerland, although still above 12%.

Whereas unemployment tends to be higher for the low-educated for both migrants and the native-born, differences with the native-born are most pronounced for the highly educated (Figure 6.10). The unemployment rate of highly educated immigrants is almost 9% on average in the OECD area, compared with 4.5% for the highly educated native-born. In contrast, for the low-educated there are only few differences between the two groups.

Figure 6.10. **Unemployment rates by country of birth and selected characteristics, 2009-10**

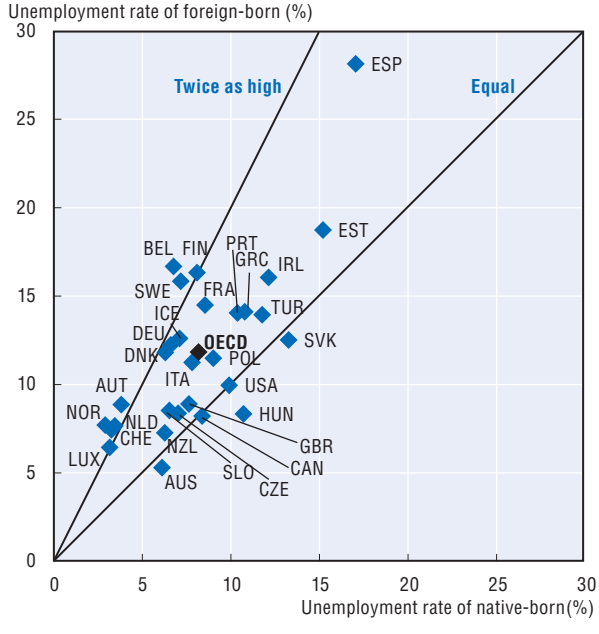
Percentage of the labour force



StatLink http://dx.doi.org/10.1787/888932735255

Figure 6.11. **Unemployment rates of the foreign- and native-born populations aged 15 to 64, 2009-10**

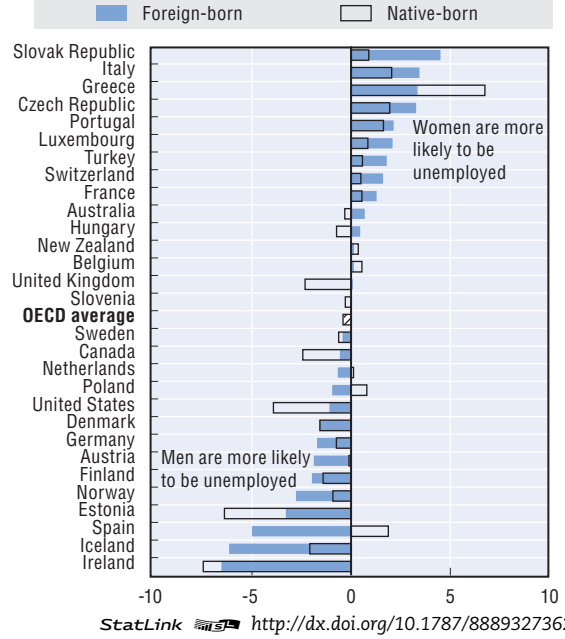
Percentage of the labour force



StatLink http://dx.doi.org/10.1787/888932735274

Figure 6.12. **Gender gap in unemployment rates of foreign- and native-born populations aged 15 to 64, 2009-10**

Difference in percentage points



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Notes and sources are at the end of the chapter.

6.2. Unemployment

Outcomes and trends

Over the past decade, the unemployment rate of immigrants has risen by 2.7 percentage points on average across OECD countries, compared with less than 1 point for that of the native-born population. That said, the situation nevertheless remains uneven. Whereas the unemployment rate declined in Australia, France, Finland, Italy and New Zealand, there have been double-digit increases in some countries hit hard by the crisis such as Iceland, Ireland and Spain. Strong increases of 5 percentage points and more have also been observed in Estonia, Sweden and the United States.

The unemployment rate among immigrants has risen more strongly than that of the native-born. Here, the picture broadly mirrors that observed in absolute terms. In countries where immigrant unemployment increased the most, such as Estonia, Iceland, Ireland, Spain and Sweden, immigrants' unemployment position relative to natives also worsened. The opposite holds for Finland. In the United Kingdom, the relative unemployment position of immigrants also improved by more than 2 percentage points (Figure 6.13).

Owing to the financial crisis, unemployment has increased strongly in a number of countries, in particular in Ireland and Spain where the overall increase (native-born plus foreign-born) has been more than five percentage points. In these countries, immigrants experienced an over-proportionate increase in their unemployment rate (Figure 6.14). This is partly a result of their overrepresentation in sectors hardly hit by the crisis and among some groups that are most vulnerable in the labour market, such as the young and the low-educated. In the United Kingdom, the increase in unemployment among low-educated immigrants has been smaller than among the low-educated native-born. The reverse is the case in Ireland, Portugal, Spain and Sweden.

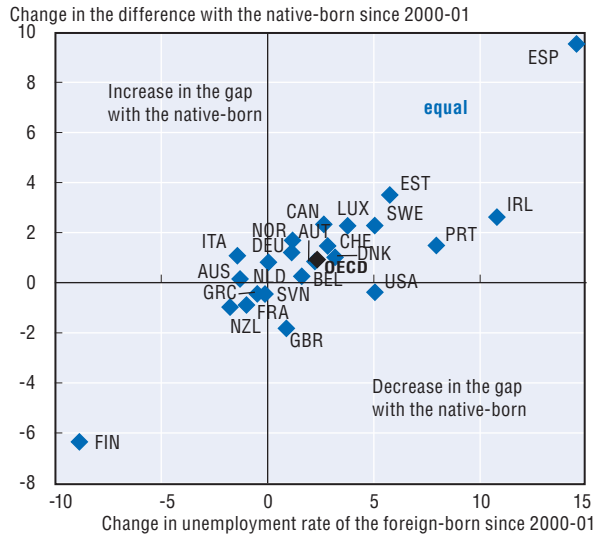
When unemployed, immigrants tend to find themselves more often among the long-term unemployed than the native-born, with the exception of countries in which unemployment among immigrants has recently increased the most, such as those in southern Europe. The incidence of long-term unemployment is particularly high in Belgium and Germany, where one in two unemployed immigrants has been unemployed for more than a year (Table 6.A1.3). Compared with the native-born, immigrants have a particularly high incidence of long-term unemployment in the Netherlands and Switzerland, although this figure must be viewed in the context of low overall unemployment.

Over the past decade, the incidence of long-term unemployment (as a share of total unemployment) has not increased – neither for immigrants nor for the native-born. Indeed, many of those who became unemployed during the financial crisis are not (yet) among the long-term unemployed. However, as the crisis continues in many countries, this picture may change.

As seen above, overall across the OECD, both the immigrant employment rate and unemployment rate increased, both in absolute terms and relative to the native-born. This also shows that immigrants' overall labour market participation (*i.e.*, the unemployed plus the employed) increased quite significantly across the OECD area – by 4 percentage points. The increase has been stronger among women (+6 percentage points) than among men (+4 percentage points). For both genders, the increase was stronger for immigrants than for the native-born. Indeed, for men, the previously existing gap in labour market participation between native-born and immigrants has now closed, and it has been halved for women, where immigrant women now have only a marginally lower participation rate of about 2.5 percentage points below that of native-born men on average.

Figure 6.13. **Change in unemployment rates of the foreign and native-born populations aged 15 to 64 since 2000-01**

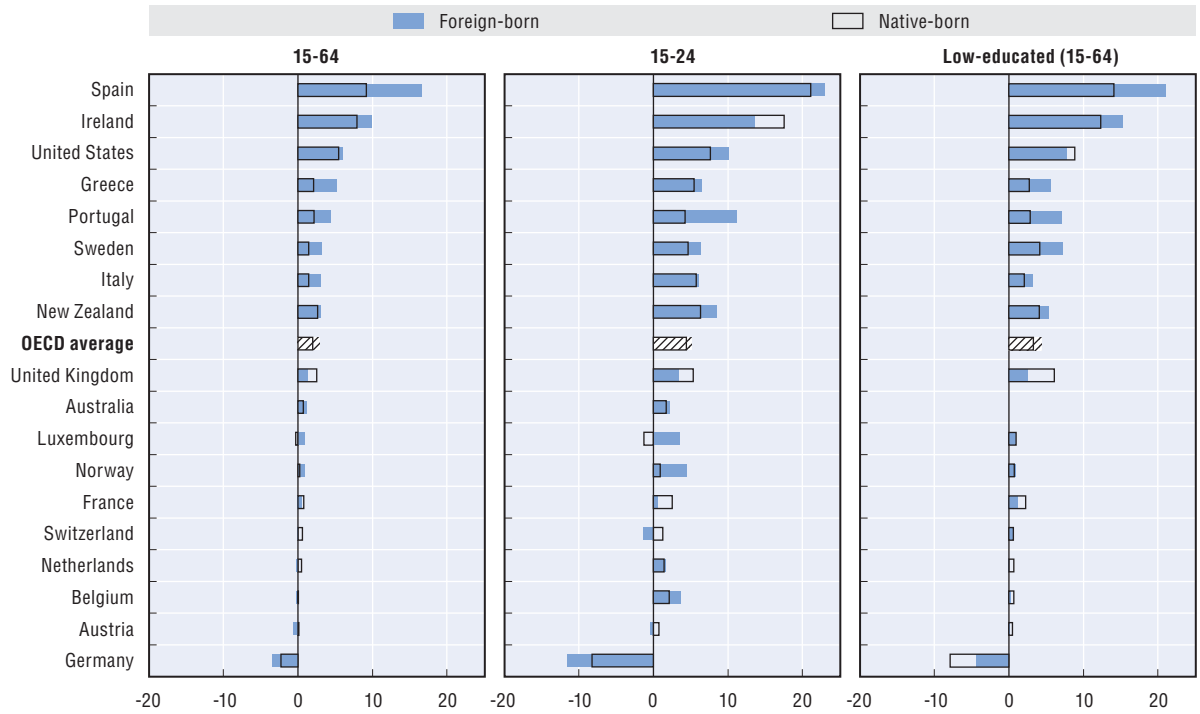
Percentage points



StatLink http://dx.doi.org/10.1787/888932736262

Figure 6.14. **Change in unemployment rates between 2006-07 and 2009-10, by place of birth and various characteristics**

Percentage points



StatLink http://dx.doi.org/10.1787/888932736281

Notes and sources are at the end of the chapter.

6.2. Unemployment

Native-born offspring of immigrants' outcomes

Background information

The native-born offspring of immigrants are defined as persons born in the country of residence for whom both parents are foreign-born. The reference population consists of persons for whom at least one parent is native-born. The population under review is between 15 and 34 years old and is not in education.

Data presented in this section refer to the pre-crisis year 2008 for most of the countries under review. Therefore, the tremendous increase of youth unemployment during the economic crisis in 2008-09 in many OECD countries is not yet taken into account.

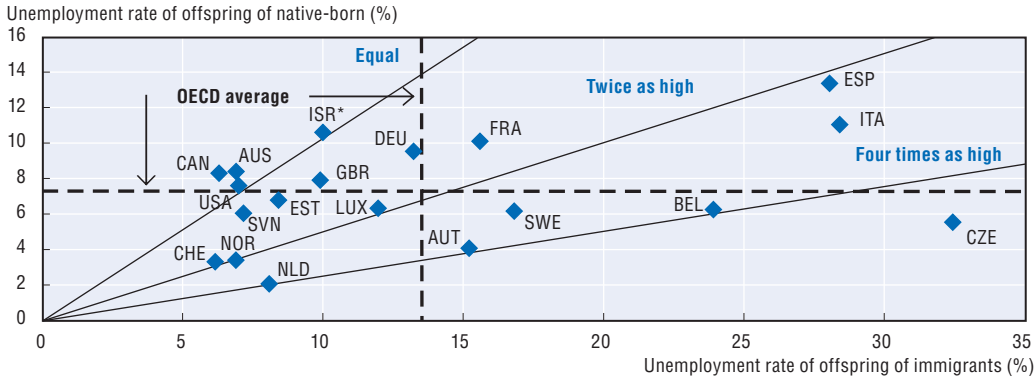
The data on unemployment for the target age group 15 to 34 by parents' place of birth is limited, owing to small sample sizes, which is even more an issue for long-term unemployment. Data are therefore only illustrated for a selected number of countries.

On average across OECD countries, the unemployment rate of native-born offspring of immigrants is 13.8%, which is about 7 percentage points higher than that of descendants of native-born parents. The highest unemployment rates are observed for native-born offspring of immigrants in the Czech Republic, Italy and Spain, where about one third of persons in the labour force whose parents were both born abroad are jobless. Lowest unemployment rates of native-born offspring of immigrants are observed in Switzerland, Canada, the United States and Australia (between six and seven percent). In the latter three countries and in Israel, the native-born offspring of immigrants fare even better than descendants of native-born parents (Figure 6.15). In half of the OECD countries under review, unemployment rates for native-born offspring of immigrants are more than two times higher than those for offspring of native-born. The highest differences are observed in the Czech Republic (27 percentage points), Italy and Belgium (both above 17 percentage points).

On average in the OECD, there exist only small gender differences in unemployment rates among the offspring of immigrants (Table 6.1). However, these differences are important in two countries: the Czech Republic, where men with immigrant parents show much higher unemployment figures than women, and Spain, where women are much more likely to be unemployed. Compared with offspring of native-born, gaps between women are around two percentage points smaller than gaps observed between men.

On average, around 40% of unemployed native-born offspring of immigrants are long-term unemployed, compared with about 26% of descendants of native-born parents. Patterns of long-term unemployment are similar to unemployment patterns overall (Figure 6.16). However, in Australia almost one out of four unemployed persons whose parents were born abroad is long-term unemployed, while only six % of unemployed descendants of native-born have been looking for work for more than 12 months.

Figure 6.15. **Unemployment rates of native-born offspring of immigrants and offspring of native-born, population aged 15 to 34, 2008**



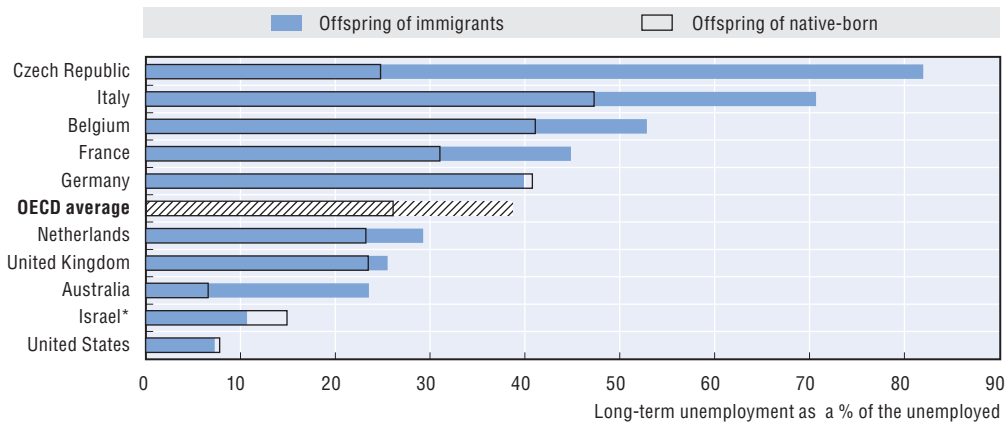
StatLink http://dx.doi.org/10.1787/888932735293

Table 6.1. **Unemployment rates of native-born offspring of immigrants compared to offspring of native-born aged 15 to 34, by gender, 2008**

	Total				Men		Women	
	Unemployment rate	Difference (+/–) with offspring of native-born persons	% of long-term unemployment (12 months or more)	Difference (+/–) with offspring of native-born persons	Unemployment rate	Difference (+/–) with offspring of native-born persons	Unemployment rate	Difference (+/–) with offspring of native-born persons
Australia	6.9	–1.5	23.5	16.9	6.7	–1.7	7.1	–1.2
Austria	15.2	11.1	–	–	14.9	11.1	15.6	11.1
Belgium	23.9	17.7	52.9	11.8	22.7	16.3	25.2	19.2
Canada	6.3	–1.9	. .	. .	6.4	–2.2	6.2	–1.6
Czech Republic	32.4	26.9	82.0	57.2	36.1	31.8	24.4	17.0
Estonia	8.4	1.6	–	–	–	–	–	–
France	15.6	5.5	44.8	13.8	16.2	7.0	14.9	3.8
Germany	13.2	3.7	39.9	–0.9	13.5	2.9	12.9	4.6
Israel*	10.0	–0.6	10.7	–4.2	11.3	1.3	8.8	–2.4
Italy	28.4	17.4	70.7	23.4	28.6	19.0	–	–
Luxembourg	12.0	5.6	–	–	–	–	15.9	7.4
Netherlands	8.1	6.0	29.3	6.0	9.6	7.6	6.2	4.0
Norway	6.9	3.5	. .	. .	7.7	3.7	6.0	3.2
Slovenia	7.2	1.1	–	–	6.1	1.1	8.9	1.5
Spain	28.0	14.7	–	–	21.6	8.9	33.7	19.6
Sweden	16.8	10.7	–	–	18.8	12.9	14.5	8.0
Switzerland	6.2	2.9	–	–	4.7	1.4	7.9	4.6
United Kingdom	9.9	2.0	25.5	2.1	11.3	2.7	8.1	1.2
United States	7.0	–0.6	7.3	–0.5	7.8	–0.7	6.1	–0.5
OECD average	**13.8**	**6.6**	**38.7**	**12.6**	**14.4**	**7.2**	**13.1**	**5.9**

StatLink http://dx.doi.org/10.1787/888932736661

Figure 6.16. **Long-term unemployment of native-born offspring of immigrants and offspring of native-born, population aged 15 to 34, 2008**



StatLink http://dx.doi.org/10.1787/888932735312

Notes and sources are at the end of the chapter.

6.3. Native-born offspring of immigrants neither in employment nor in education or training (NEET)

Background information

Persons neither in employment nor in education or training (NEET) in this section are young people aged 15 to 34 years. The NEET concept is seen as an alternative to youth unemployment. The unemployment rate only captures young people that are not in employment but who are seeking work. This underestimates the extent to which young people are excluded from the labour force, since persons not in education and inactive people are not covered. The different components of NEET are disaggregated by "inactive" and "not in education", "short-term" and "long-term" unemployment to better understand country-specific patterns of the incidence and scope of NEET. Moreover, low-educated persons in NEET are treated separately in order to capture the effect of educational attainment levels.

The native-born offspring of immigrants are defined as persons born in the country of residence for whom both parents are foreign-born. The reference population consists of persons for whom at least one parent is native-born. The population under review is between 15 and 34 years old.

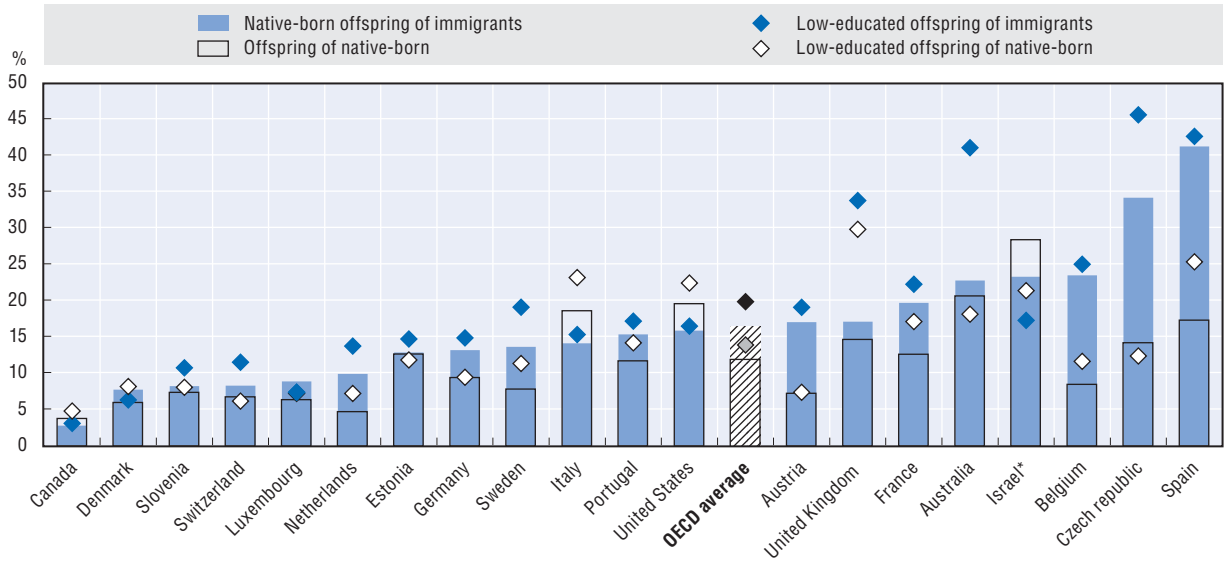
On average across OECD countries, in 2008, about 17% of native-born offspring of immigrants aged 15 to 34 were in the NEET category, representing five percentage points more than the offspring of the native-born. The lowest NEET rates are observed in Canada, Denmark, Luxembourg, Slovenia and Switzerland, where less than 10% of the native-born offspring of immigrants aged 15 to 34 are out of the labour market and not in education. The highest figure is observed in Spain (41%) and the Czech Republic (34%) (Figure 6.17). The difference with offspring of native-born parents is also highest in these latter two countries, with 24 and 20 percentage point difference, respectively. In Italy, Israel and the United States, the native-born offspring of immigrants are less in NEET than their counterparts with native-born parents. Overall, women fall more within the NEET category than men. The gender gap is largest in countries in which the share of inactive women is higher, such as the Czech Republic, Greece, Hungary and Italy (Figure 6.A1.2). In the United Kingdom, persons holding at most lower secondary degrees are much more affected, whatever the origin of the parents. In this country, as well as in Australia, NEET rates of low-educated native-born offspring of immigrants are almost twice as high as total NEET rates (Figure 6.17).

The disaggregation of NEET rates reveals that in most OECD countries unemployment contributes only to a small part of NEET rates for the native-born offspring of immigrants (Figure 6.18). This is especially true for Denmark where almost all persons in the NEET category are inactive and not in education, as well as in Australia, Greece, the Netherlands, Switzerland and the United Kingdom. Long-term unemployment, however, constitutes a significant share of NEET categorized persons in three OECD countries: Belgium, the Czech Republic and Italy.

Figure 6.19 presents the difference in NEET rates between native-born offspring of immigrants and offspring of native-born parents by different components. In Italy, the relatively high proportion of offspring of native-born inactive and not in education (especially among women) may explain the negative difference in NEET rates between the two groups.

Figure 6.17. **NEET rates among the population aged 15 to 34 by parents' place of birth, 2008**

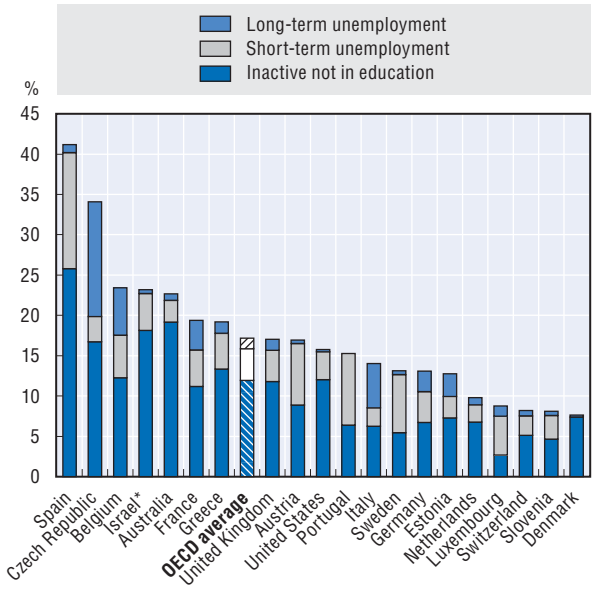
Percentage



StatLink http://dx.doi.org/10.1787/888932735331

Figure 6.18. **NEET rates among native-born offspring of immigrants aged 15 to 34, by components, 2008**

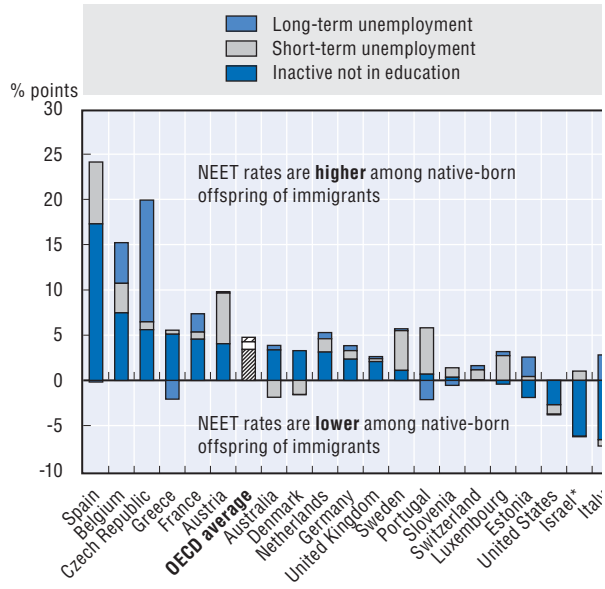
Percentage



StatLink http://dx.doi.org/10.1787/888932735350

Figure 6.19. **Difference in NEET rates between native-born offspring of immigrants and offspring of native-born by components (15-34), 2008**

Difference in percentage points



StatLink http://dx.doi.org/10.1787/888932735369

Notes and sources are at the end of the chapter.

Measurement

The labour force includes both the employed and the unemployed. This chapter presents employment (Indicator 6.1) and unemployment rates (Indicator 6.2). Compared with other indicators, integration into the labour market can be relatively well measured, since ample information is gathered in virtually all countries through regular large scale labour force surveys and a broad range of standard indicators are available. The employment rate is the main indicator in this respect. It does, however, tell little about the intensity and quality of employment. Since the native-born offspring of immigrants tend to be young in most OECD countries, indicators for this group are presented for the age group 15 to 34. Many people in this age group who are not working may still be in education or in training. Therefore, employment rates for this group exclude persons still in education. Moreover, the NEET rate – share of persons neither in employment nor in education or training – is also presented (Indicator 6.3).

In addition to outcomes and progress made over the last decade, there was also an effort to gauge the convergence of migrants' outcomes with those for the native-born population over the first ten years in the country. As few longitudinal tools are appropriate to evaluate the convergence over such a long period, a pseudo cohort analysis is presented on the basis of cross-sectional labour force survey data.

Notes, sources and further reading

Notes for tables and figures

In many countries, the LFS sample is selected from a stratified sampling design. In the case of Norway, the sample frame is based on the Central Population Register. As of recent, the country of birth is used as a stratification variable and therefore outcomes are not comparable to previous estimates. Only 2010 revised estimates could be calculated. Evolution in outcomes since 2000 is based on non-revised figures and therefore should be interpreted with caution. Data on native-born offspring of immigrants and on native-born parents are extracted from the Central Population Register.

Because sample sizes were not available for most countries, no statistical test was applied to test whether or not differences with the population of reference were statistically different from zero.

Figure 6.1: OECD averages (31 countries) are not comparable to averages presented in Table 6.A1.1 as the latter cover only countries for which both 2000-01 and 2009-10 data are available (27 countries).

Figure 6.2: Data for Canada and New Zealand include persons still in education.

Figure 6.6: The OECD average has been calculated for the 11 countries presented in the figure, plus Belgium, Denmark, Finland, Luxembourg, Norway and Portugal, each country having the same weight.

Figure 6.8: The sample size of highly educated native-born offspring of immigrants is too small in Austria, Czech Republic, Italy and Portugal to produce reliable estimates. OECD average for low-educated immigrants does not include those countries either.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Sources

Immigrant and native-born populations:

European Union Labour Force Surveys (Eurostat); Australian, Canadian, Israeli and New Zealand Labour Force Surveys; US Current Population Surveys.

Native-born offspring of immigrant and of native-born parents:

Labour Force Survey, 2008 ad-hoc module (Eurostat); Norwegian Population Register 2010; Australian, Canadian, Israeli and New Zealand Labour Force Surveys; US Current Population Surveys.

Further reading

OECD (2007), *Jobs for Immigrants. Vol. 1: Labour Market Integration in Australia, Denmark, Germany and Sweden,* OECD Publishing, Paris.

OECD (2008), *Jobs for Immigrants. Vol. 2: Labour Market Integration in Belgium, France, the Netherlands and Portugal,* OECD Publishing, Paris.

OECD (2010a), *Equal Opportunities? The Labour Market Integration of the Children of Immigrants*, OECD Publishing, Paris.

OECD (2010b), *Off to a Good Start? Jobs for Youth*, OECD Publishing, Paris.

OECD (2012a), *Jobs for Immigrants. Vol. 3: Labour Market Integration in Austria, Norway and Switzerland,* OECD Publishing, Paris.

OECD (2012b), *International Migration Outlook*, OECD Publishing, Paris.

ANNEX 6.A1

Statistical annex

Table 6.A1.1. **Employment rates of immigrants by gender, 15-64, 2000-01 and 2009-10**

Percentage of the working-age population and difference with the native-born in percentage points

	Total				Men				Women			
	Employment rate		Difference (+/–) with native-born persons		Employment rate		Difference (+/–) with native-born persons		Employment rate		Difference (+/–) with native-born persons	
	2000-01	2009-10	2000-01	2009-10	2000-01	2009-10	2000-01	2009-10	2000-01	2009-10	2000-01	2009-10
Australia	63.3	67.9	–7.9	–6.0	72.8	76.1	–5.0	–3.9	53.7	59.9	–10.9	–8.9
Austria	62.5	65.5	–6.4	–7.5	72.6	73.0	–3.0	–4.8	53.3	58.7	–8.7	–9.4
Belgium	48.6	52.6	–13.2	–10.8	61.8	61.4	–8.4	–6.9	36.0	44.2	–17.4	–14.2
Canada	69.0	68.6	–2.7	–3.8	76.3	74.2	0.4	0.0	62.2	63.4	–5.5	–7.2
Chile	. .	69.4	. .	3.9	. .	86.4	. .	2.9	. .	56.7	. .	7.4
Czech Republic	. .	66.9	. .	1.8	. .	76.8	. .	3.2	. .	56.5	. .	0.0
Denmark	60.2	65.6	–16.9	–10.0	66.4	70.5	–14.9	–7.2	54.9	61.5	–17.9	–12.0
Estonia	63.0	63.5	3.0	1.4	70.9	64.8	7.9	2.3	56.9	62.5	–0.3	0.8
Finland	55.2	62.1	–13.6	–6.6	63.5	67.0	–8.0	–2.6	46.1	57.3	–20.0	–10.5
France	56.6	57.8	–6.9	–7.1	67.4	66.0	–2.9	–2.7	46.0	50.2	–11.0	–11.1
Germany	57.3	63.8	–9.5	–8.7	67.0	72.3	–6.6	–4.3	47.3	55.7	–12.7	–12.7
Greece	60.7	65.0	4.4	5.2	78.6	78.6	7.4	7.1	44.7	51.2	3.1	3.0
Hungary	56.7	65.5	0.7	10.2	68.8	71.6	6.1	11.0	47.3	60.7	–2.2	10.7
Iceland	87.6	75.9	0.7	–2.5	91.8	75.6	1.3	–4.9	84.3	76.3	1.0	–0.1
Ireland	66.0	60.8	1.2	–0.1	76.2	66.4	0.2	1.6	55.9	55.1	2.5	–1.9
Israel*	58.6	64.2	4.0	6.1	66.3	69.0	7.8	8.1	51.5	59.9	1.0	4.9
Italy	59.9	62.3	6.0	5.7	81.3	76.7	13.6	9.4	39.8	49.8	–0.3	4.0
Japan	66.2	. .	–8.4	. .	82.4	. .	–6.1	. .	52.2	. .	–8.6	. .
Luxembourg	67.9	70.0	8.3	8.7	80.0	78.5	8.2	9.7	55.8	61.4	8.6	7.8
Mexico	57.7	58.8	0.5	–4.9	78.6	78.1	–3.1	–7.4	36.1	38.3	1.4	–6.2
Netherlands	61.0	65.5	–14.4	–11.9	70.6	73.3	–13.6	–9.1	51.4	58.5	–14.8	–13.7
New Zealand	65.8	68.5	–9.5	–5.7	65.8	75.9	–8.7	–3.4	58.7	61.3	–10.2	–7.9
Norway	. .	66.6	. .	–9.8	. .	71.4	. .	–6.8	. .	61.4	. .	–13.1
Poland	. .	47.9	. .	–11.4	. .	56.5	. .	–9.4	. .	41.3	. .	–11.7
Portugal	70.8	69.5	2.3	3.9	76.8	74.5	0.3	4.3	65.1	65.1	4.5	4.1
Slovak Republic	. .	58.8	. .	–0.7	. .	73.3	. .	7.0	. .	45.6	. .	–7.0
Slovenia	65.7	65.6	2.8	–1.3	69.2	70.5	1.8	0.2	62.0	60.4	3.7	–3.1
Spain	62.4	57.4	5.7	–2.1	77.1	60.6	5.6	–6.1	48.1	54.3	6.4	2.2
Sweden	60.4	61.7	–15.0	–12.9	63.9	67.0	–12.8	–9.1	57.0	57.0	–17.0	–16.2
Switzerland	75.6	75.1	–4.6	–5.1	87.0	83.4	–0.9	–1.5	64.8	67.1	–7.8	–8.4
Turkey	. .	48.4	. .	3.2	. .	63.2	. .	–2.5	. .	27.1	. .	2.0
United Kingdom	62.1	66.1	–10.0	–4.2	71.7	75.0	–6.6	0.3	53.4	57.7	–12.5	–8.3
United States	70.4	67.3	–2.1	2.1	82.2	76.9	5.4	9.4	58.3	57.3	–10.1	–5.6
OECD average	**63.4**	**64.9**	**–3.8**	**–2.6**	**73.6**	**72.2**	**–1.3**	**–0.4**	**53.4**	**57.9**	**–5.8**	**–4.6**

Note: Japanese data cover the foreign population instead of the foreign-born. The OECD average covers countries for which both 2000-01 and 2009-10 data are available.

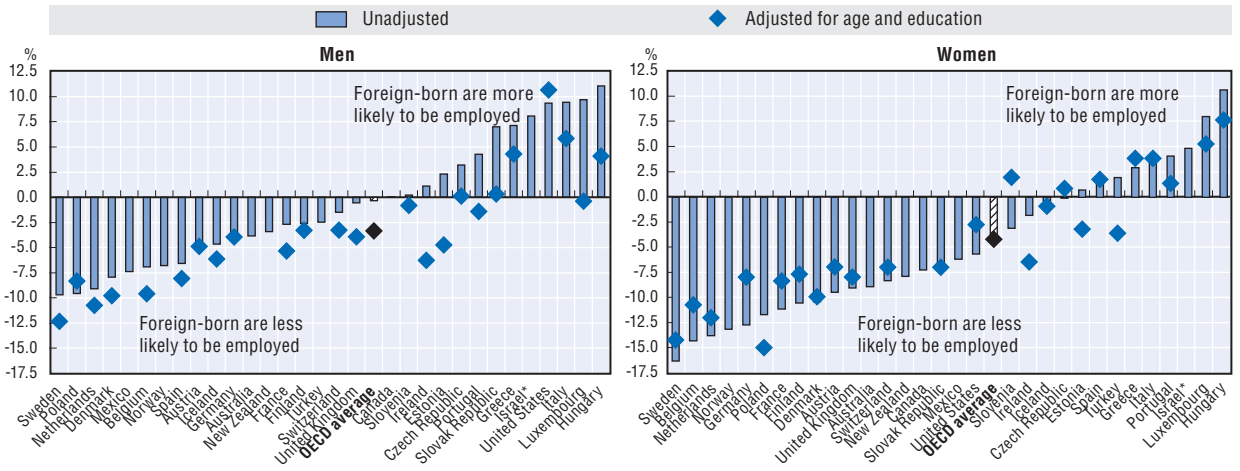
* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: European Union Labour Force Surveys (Eurostat); Australian, Canadian, Israeli and New Zealand Labour Force Surveys; US Current Population Surveys; other countries: *Database on Immigrants in OECD Countries (DIOC) 2000 and 2005-06*.

StatLink *http://dx.doi.org/10.1787/888932736091*

Figure 6.A1.1. **Difference in employment rates between foreign- and native-born populations by gender, 2009-10**

Percentage points



StatLink http://dx.doi.org/10.1787/888932735388

Table 6.A1.2. **Unemployment rates of immigrants by gender, 15-64, 2000-01 and 2009-10**

Percentage of the labour force

	Total				Men				Women			
	Unemployment rate		Difference (+/–) with native-born persons		Unemployment rate		Difference (+/–) with native-born persons		Unemployment rate		Difference (+/–) with native-born persons	
	2000-01	2009-10	2000-01	2009-10	2000-01	2009-10	2000-01	2009-10	2000-01	2009-10	2000-01	2009-10
Australia	7.4	6.1	0.7	0.8	7.2	5.8	0.1	0.4	7.6	6.5	1.4	1.4
Austria	10.4	8.9	–4.0	5.1	9.6	9.7	6.0	5.9	11.3	7.9	–4.4	4.1
Belgium	15.1	16.7	9.7	9.9	14.2	16.6	9.8	10.1	16.5	16.8	9.7	9.7
Canada	7.4	10.1	0.0	2.3	6.8	10.3	–1.0	1.4	8.1	9.8	1.1	3.3
Chile	..	5.1	..	–1.4	..	2.3	..	–2.9	..	8.1	..	–0.3
Czech Republic	..	8.4	..	1.4	..	7.0	..	0.8	..	10.3	..	2.2
Denmark	8.6	11.8	4.5	5.5	9.9	12.6	6.4	5.6	7.2	11.0	2.4	5.5
Estonia	13.0	18.7	0.0	3.5	12.7	20.5	–0.9	2.2	13.2	17.2	1.0	5.3
Finland	25.2	16.3	14.6	8.2	24.4	17.2	14.4	8.5	26.3	15.3	15.1	7.9
France	15.5	14.5	6.8	6.0	13.5	13.9	6.6	5.6	18.1	15.2	7.6	6.4
Germany	12.2	12.2	4.8	5.6	12.5	13.0	5.4	6.0	11.8	11.3	4.1	5.1
Greece	14.6	14.1	3.8	3.3	9.5	12.8	2.4	4.8	21.5	16.1	5.1	1.4
Hungary	4.4	8.3	–1.8	–2.4	2.5	8.1	–4.3	–2.9	6.3	8.6	1.0	–1.8
Iceland	1.0	12.6	–0.9	5.5	0.0	15.7	–1.5	7.6	1.9	9.5	–0.6	3.5
Ireland	5.3	16.1	1.3	3.9	5.3	18.9	1.2	3.4	5.3	12.3	1.5	4.3
Israel*	..	6.6	..	–0.9	..	7.2	..	–0.2	..	6.0	..	–1.7
Italy	12.7	11.2	2.4	3.4	7.2	9.7	–0.8	2.8	21.5	13.2	7.6	4.2
Japan	5.7	..	1.0	..	5.7	..	0.6	..	5.8	..	1.6	..
Luxembourg	2.7	6.4	1.0	3.3	2.2	5.5	0.8	2.7	3.4	7.6	1.3	4.0
Mexico	1.0	4.4	–0.2	0.8	1.0	3.7	–0.4	0.3	1.0	5.9	0.1	1.9
Netherlands	5.4	7.7	3.4	4.2	4.9	8.0	3.3	4.6	6.1	7.3	3.5	3.8
New Zealand	9.0	7.3	2.0	1.0	8.7	7.2	2.1	1.1	9.5	7.4	1.8	0.9
Norway	..	9.9	..	7.0	..	11.1	..	7.7	..	8.3	..	5.9
Poland	..	11.5	..	2.5	..	11.9	..	3.3	..	11.0	..	1.6
Portugal	6.1	14.0	2.2	3.7	5.6	13.0	2.6	3.4	6.7	15.1	1.7	3.9
Slovak Republic	..	12.5	..	–0.7	..	10.6	..	–2.2	..	15.1	..	1.4
Slovenia	8.6	8.5	2.5	2.0	8.7	8.5	2.7	1.9	8.6	8.6	2.1	2.2
Spain	13.6	28.1	1.6	11.1	10.9	30.4	2.6	14.2	17.4	25.4	–0.3	7.3
Sweden	10.8	15.8	6.4	8.7	11.3	16.0	6.5	8.6	10.2	15.6	6.2	8.8
Switzerland	4.6	7.4	2.7	4.2	3.4	6.7	2.2	3.7	6.1	8.3	3.4	4.8
Turkey	..	13.9	..	2.2	..	13.5	..	1.9	..	15.3	..	3.2
United Kingdom	8.0	8.9	3.1	1.3	8.6	8.9	3.1	0.2	7.3	8.9	3.0	2.6
United States	4.9	9.9	0.3	–0.1	4.4	10.4	–0.5	–1.5	5.5	9.3	1.4	1.3
OECD average	**9.3**	**11.9**	**2.8**	**4.2**	**8.4**	**12.2**	**2.9**	**4.2**	**10.6**	**11.7**	**3.2**	**4.2**

Note: Japanese data cover the foreign population instead of the foreign-born. The OECD average covers countries for which both 2000-01 and 2009-10 data are available.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: European Union Labour Force Surveys (Eurostat); Australian, Canadian, Israeli and New Zealand Labour Force Surveys; US Current Population Surveys; other countries: *Database on Immigrants in OECD Countries (DIOC) 2000 and 2005-06*.

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Table 6.A1.3. **Long-term unemployment rates of the foreign-born population aged 15 to 64, 2000-01 and 2009-10**

	Long-term unemployment of the foreign-born population (% of total unemployment)		Differences with the native-born (% points) +: higher than native-born; –: Lower than native-born	
	2000-01	2009-10	2000-01	2009-10
Australia	. .	17.7	. .	–1.4
Austria	28.4	25.8	1.3	3.8
Belgium	64.0	53.1	13.2	9.3
Canada	. .	16.4	. .	5.1
Czech Republic	. .	37.8	. .	2.1
Denmark	23.2	21.2	2.7	8.0
Estonia	52.4	42.1	7.7	5.8
Finland	20.5	27.7	–3.7	7.9
France	48.6	44.4	12.7	8.3
Germany	54.0	49.2	3.8	3.7
Greece	48.6	31.7	–6.8	–13.6
Hungary	42.1	53.5	–4.4	8.0
Iceland	25.6	12.9	19.3	1.7
Ireland	28.6	36.1	–8.4	–4.6
Italy	41.1	38.4	–21.5	–9.6
Luxembourg	24.4	25.4	–1.3	–1.7
Netherlands	. .	35.6	. .	12.0
New Zealand	. .	9.7	. .	1.2
Norway	11.9	22.0	2.1	4.3
Poland	. .	31.2	. .	0.4
Portugal	33.1	38.8	–9.3	–11.1
Slovak Republic	. .	60.7	. .	1.2
Slovenia	71.8	48.7	10.2	12.8
Spain	35.2	26.3	–5.0	–5.8
Sweden	29.7	21.7	5.7	8.6
Switzerland	35.7	36.9	13.4	13.8
Turkey	. .	23.9	. .	–0.4
United Kingdom	28.8	27.6	1.2	–1.2
United States	6.5	19.2	0.3	–1.0
OECD average	**35.9**	**33.5**	**1.6**	**2.3**

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Figure 6.A1.2. **NEET rates among native-born offspring of immigrants aged 15 to 34 by gender, 2008**

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Chapter 7

Job characteristics

For job holders, several aspects of the job need to be considered in order to examine whether differences exist between foreign and native-born populations. Key aspects include job stability, number of hours worked, the match between qualifications and skills and the job held, pay, the prevalence of self-employment and of employment in the public sector. It is also important to examine the extent to which the recent economic crisis affected the differences in job characteristics between the two groups.

Integration in the labour market, both in terms of job access and job quality and stability, is a process that occurs over time. Migrants' duration of residence is therefore a key determinant of job characteristics, along with migrants' socio-demographic characteristics, such as age and education level. Age also serves as a proxy for professional experience and is hence important both for job stability and quality. Likewise, educational attainment is obviously an important determinant in accessing higher skilled, better paid jobs. For those who obtained their highest diploma abroad, having their formal qualifications recognised in the host country can provide a positive signal to employers and contribute to reducing overqualification.

In this chapter, job stability is measured in terms of contractual situation – temporary versus permanent employment (Indicator 7.1). The degree to which migrant labour is used in the labour market is first roughly approximated by the number of hours worked (Indicator 7.2). Second, matching between job level and individual qualification (Indicators 7.4) is introduced by a presentation of job skills (Indicators 7.3). The share of self-employment (Indicator 7.5) and that of employment in the public sector (Indicator 7.6) are examined. For a discussion on these indicators, refer to the section "Measurement" at the end of this chapter.

7.1. Temporary work

Outcomes and trends

Background information

A high incidence of fixed-term employment among specific groups (immigrants, young workers, etc.) can be interpreted as a sign of labour market dualism with some workers able to find stable career and well-paid jobs and others failing to do so. Temporary jobs tend to pay less than permanent jobs and offer less access to paid vacations, sick leave, unemployment insurance and other benefits (including training) and limited career prospects. Temporary employment often entails a different set of legal obligations on behalf of employers as stipulated by employment protection legislation. Temporary employment is usually a source of insecurity for workers.

In European countries, temporary employment comprises work under a fixed-term contract, in contrast to permanent work where there is no end-date. In Australia, temporary work is defined as work without leave entitlements. In all cases, the definition excludes the self-employed. The United States Current Population Survey and the New Zealand Labour Force Survey do not include comparable information and therefore those two countries are not included in this analysis.

On average across OECD countries, almost 15% of immigrants in employment have a temporary contract, compared with less than 10% for the native-born (Table 7.1). In all countries and for both genders, the incidence of temporary employment is higher among immigrants than among the native-born. This is, however, not the case for female immigrants in Turkey and small differences are noted between the natives and foreign-born in Australia and Canada. In Austria, Denmark, Ireland, Luxembourg, Norway, Switzerland and the United Kingdom, less than ten per cent of immigrants are in temporary employment, whereas in Portugal and Spain, about one out of three employed migrants are.

In these two countries, temporary employment is common even among the native-born, although the incidence is only about half as large for the native-born as for immigrants. This may be lined to some extent to the fact that these two countries have experienced large labour migration flows in recent years and these recent migrants may be more likely to take up temporary jobs in their first years after arrival. Finally, the incidence of temporary employment is higher among immigrant men than immigrant women in Portugal and Spain while the reverse is generally true in other countries.

Recently arrived migrants are more likely to be in temporary employment, which is often a way of entering the labour market. On average across OECD countries, more than one out of five employed immigrants who arrived within the last ten years has a temporary contract. The figure is twice as high as the overall rate in Portugal, Spain and Slovenia (Figure 7.1).

In most countries, the incidence of temporary employment has not changed substantially since 2003-04 (Table 7.1). Notable exception is Spain, where most of the migrants arrived during the first half of the decade and where half of employed immigrants were under fixed-term contract in 2003-04. The percentage of fixed-term contracts decreased to 39% in 2009-10. However, 2011 figures are likely to show some substantial changes in the incidence of temporary work as the result of the effects of the economic crisis.

Table 7.1. **Incidence of temporary work among foreign-born employees aged 15 to 64, not in education, 2003-04 and 2009-10**

Percentage of total employment

	Incidence of temporary work among foreign-born employees (%)		Difference (+/–) with native-born +: Higher than native-born –: Lower than native-born	
	2003-04	2009-10	2003-04	2009-10
Australia	. .	24.0		–1.0
Austria	7.8	6.3	–0.2	2.1
Belgium	10.8	12.0	2.1	5.6
Canada	. .	10.8	. .	–0.9
Czech Republic	. .	11.5	. .	4.3
Denmark	17.9	8.0	8.5	3.2
Finland	26.0	16.3	8.3	5.1
France	14.7	15.1	–0.5	3.1
Germany	13.5	12.1	1.0	3.4
Greece	22.0	21.1	9.2	11.1
Ireland	6.5	8.6	1.6	1.8
Italy	12.4	14.5	2.6	2.8
Luxembourg	3.8	6.3	0.0	1.0
Netherlands	22.5	19.2	9.6	7.0
Norway	. .	10.3	. .	2.9
Portugal	32.1	32.3	13.1	11.7
Slovenia	11.2	12.9	–1.9	1.3
Spain	47.6	39.1	16.2	18.2
Sweden	21.4	16.8	7.2	5.6
Switzerland	11.3	7.7	–0.6	2.2
Turkey	. .	10.5	. .	–0.5
United Kingdom	12.1	7.5	6.0	3.1
OECD average	**17.3**	**15.1**	**4.8**	**5.2**

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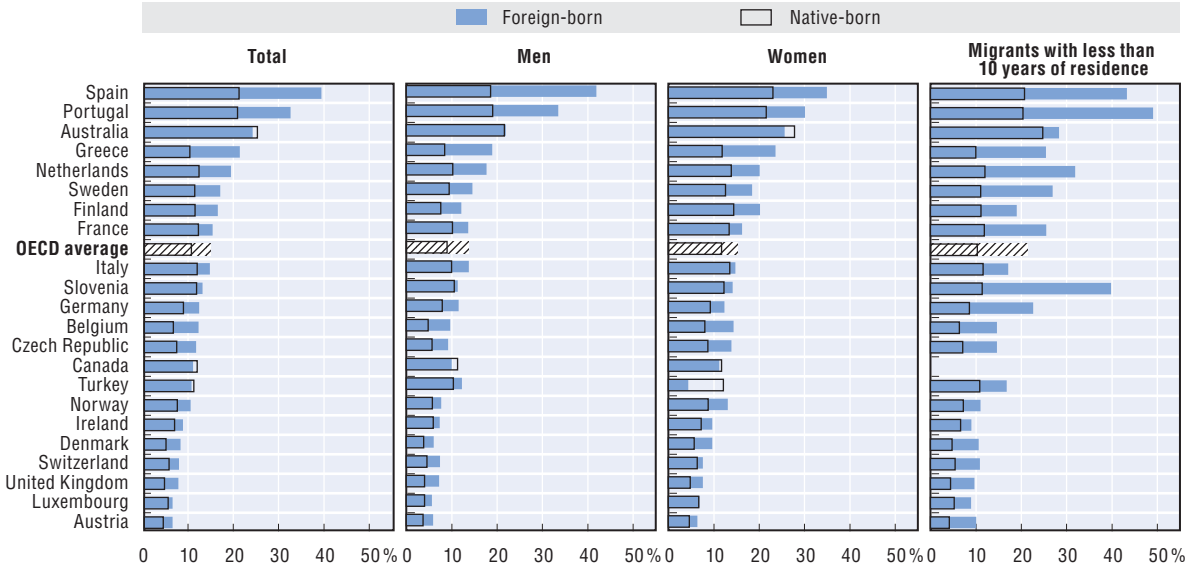
Figure 7.1. **Incidence of temporary work of foreign- and native-born employees aged 15 to 64 not in education, by various characteristics, 2009-10**

Percentage of total employment



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Notes and sources are at the end of the chapter.

7.1. Temporary work

Native-born offspring of immigrants' outcomes

Background information

A high incidence of fixed-term employment among specific groups (immigrants, young workers, etc.) can be interpreted as a sign of labour market dualism with some workers able to find stable career and well-paid jobs and others failing to do so. Temporary jobs tend to pay less than permanent jobs and offer less access to paid vacations, sick leave, unemployment insurance and other benefits (including training) and limited career prospects. Temporary employment often entails a different set of legal obligations on behalf of employers, as stipulated by employment protection legislation. Temporary employment is usually a source of insecurity for workers.

In European countries, temporary employment comprises work under a fixed-term contract, in contrast to permanent work where there is no end-date. In Australia, temporary work is defined as work without leave entitlements. In all cases, the definition excludes the self-employed. The United States Current Population Survey and the New Zealand Labour Force Survey do not include comparable information and hence these two countries are not included in this analysis.

The native-born offspring of immigrants are defined as persons born in the country of residence both of whose parents are foreign-born. The reference population "Offspring of native-born parents" consists of persons for whom at least one parent is native-born. The population under review is between 15 and 34 years old and not in education.

In 2008, across the 12 OECD countries for which data are available, about one in four native-born offspring of immigrants had a temporary work contract. The share of temporary work of the native-born offspring of immigrants is highest in Spain, where nearly half of the employed native-born offspring of immigrants hold temporary work contracts, followed by Slovenia (40%), Australia (33%), the Netherlands (31%), Belgium and Sweden (each about 25%) (Figure 7.2).

In most OECD countries, offspring of native-born parents are less exposed to temporary work contracts than their counterparts with foreign-born parents (six percentage point difference). The largest gaps are observed in Belgium, the Netherlands, Slovenia and Spain (Figure 7.2). In three OECD countries, Germany, Sweden and Switzerland, the opposite pattern emerges and the native-born offspring of immigrants is less likely to be in temporary employment than their counterparts with native-born parents. This is driven by a lower share of temporary contracts among female native-born offspring of immigrant employees than among offspring of native-born (Figure 7.3).

Gender differences among the native-born offspring of immigrants are largest in Germany and in Spain, where men have a higher incidence of temporary work, as well as in France, Luxembourg and Slovenia where women are more affected (Figure 7.3).

Figure 7.2. **Incidence of temporary work of the native-born offspring of immigrants aged 15 to 34 not in education, 2008**

Percentage of total employment

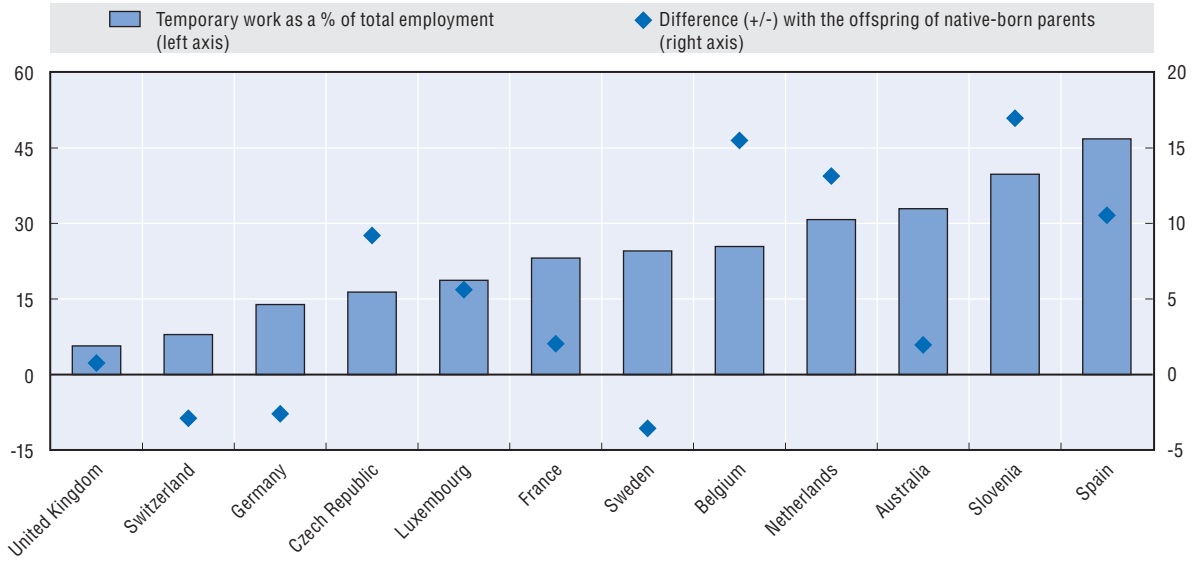

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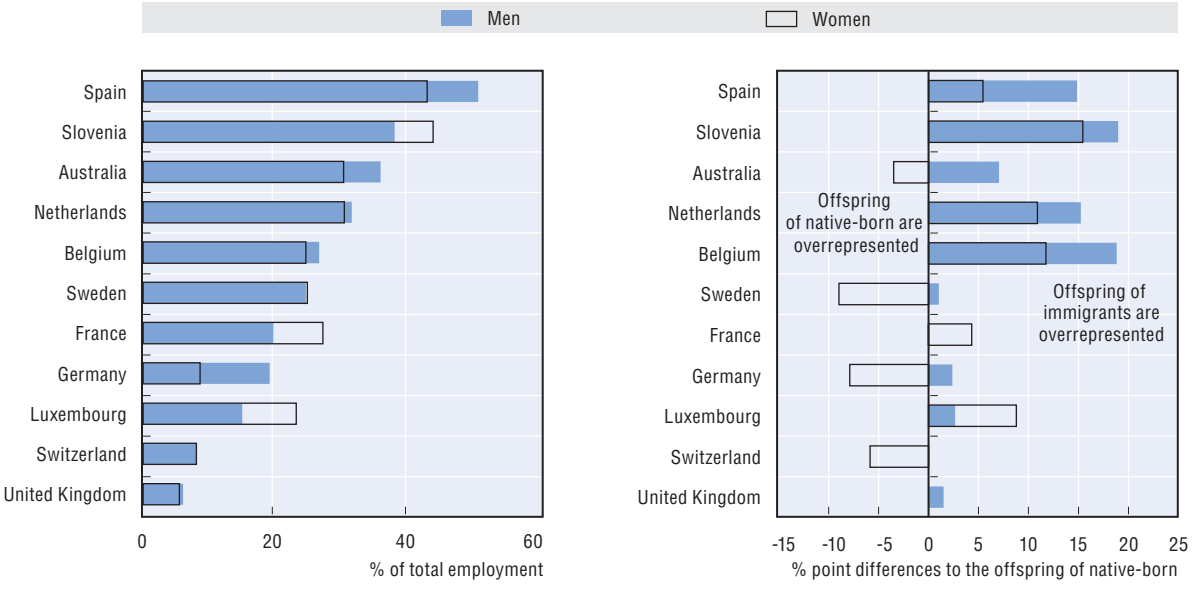
Figure 7.3. **Incidence of temporary work of the native-born offspring of immigrants, by gender, persons aged 15 to 34 not in education, 2008**



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Notes and sources are at the end of the chapter.

7.2. Part-time work

Background information

In terms of integration, the number of hours worked is a useful indicator as it gives an indication of the degree of labour utilisation in the labour market. By definition, part-time employment suggests that only part of the work potential is being used. It is generally associated with lower wages, less training, fewer opportunities for career advancement and less job security than full-time employment. However, working part-time may sometimes be a choice and therefore should not systematically be associated with a limited integration in the labour market. Further information, notably on job satisfaction, household income and social integration would be needed to identify such situations.

There is no universally accepted definition of part-time work/employment. A definition proposed by the ILO defines part-time work as "regular employment in which working time is substantially less than normal". The threshold between part-time and "normal" – that is, full-time – employment varies from country to country. Below, part-time employment is defined as working less than 30 hours per week. This definition does not distinguish between persons working only very few hours and those close to full-time employment. This is the definition used in the following section.

Differences in the incidence of part-time employment between foreign- and native-born populations are overall fairly small. On average across OECD countries, around 17% of both groups are employed in part-time work. There is more variation across countries than within countries between immigrants and the native-born. The share of part-time employment is highest in Australia, Germany, the Netherlands, Norway and Switzerland, both among foreign- and native-born populations and lowest in eastern European countries and Portugal, where the supply of part-time work is more limited.

Part-time work is dominated by women and, in all OECD countries, both for foreign- and native-born populations. On average across OECD countries, 29% of employed immigrant and native-born women work part-time (Figure 7.4). Among men, the share of part-time employment is somewhat higher among immigrants than among the native-born (8.4% *versus* 7.2%), but remains low.

The cross-country variation of part-time employment is lower among immigrant women than among their native-born peers. In the Czech Republic, Estonia, Greece, Poland and the Slovak Republic, where few native-born women work part-time, immigrant women have a higher share of part-time employment than native-born. The reverse is the case in the Netherlands and Switzerland, where the share of native-born female employees working part-time is highest.

In a limited number of countries where part-time is a common practice among native-born women (the Netherlands, Switzerland and to a lesser extent Australia and the United Kingdom), the difference in employment rates of foreign-born women compared with those of native-born women is mainly driven by the lower incidence of part-time employment among the former group. This may suggest that a substantial share of native-born women have choosen to work part-time but that foreign-born women are less willing to be in such situations, notably for economic reasons or less likely to get such opportunities due to the characteristics of their occupations and sectors of activity.

Figure 7.4. **Foreign- and native-born in part-time work, by gender, persons aged 15 to 64 not in education, 2009-10**

Percentage of total employment

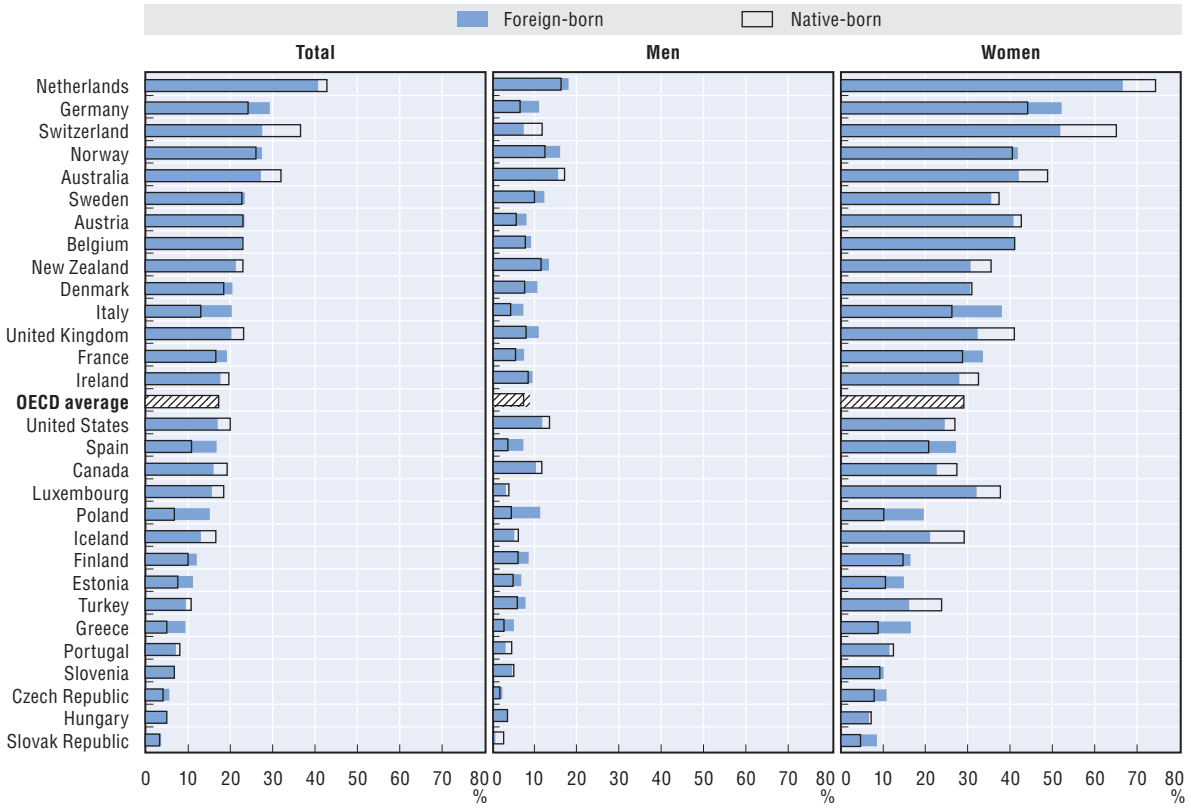

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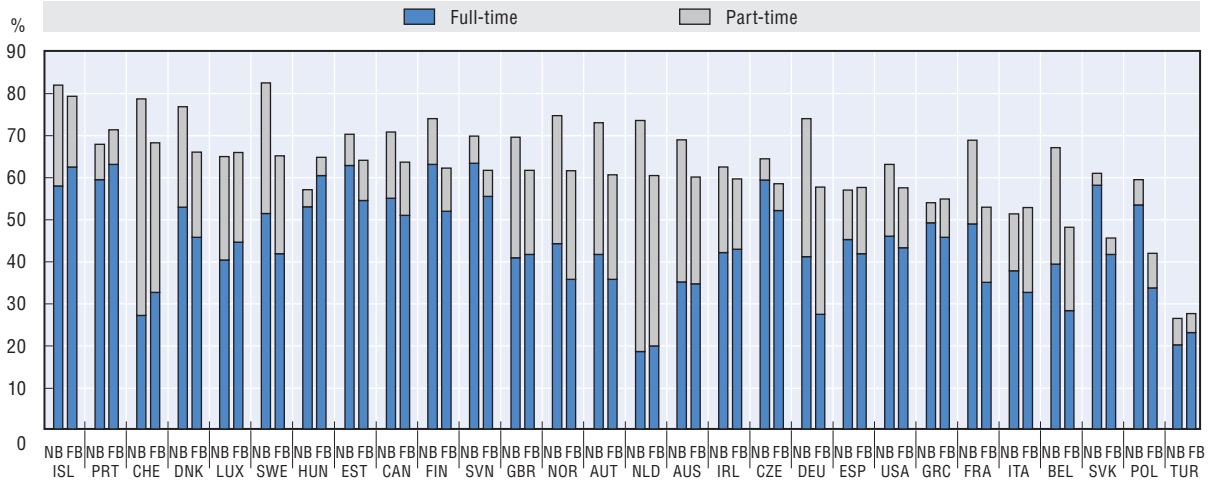
Figure 7.5. **Disaggregation of female foreign- and native-born employment rates into part and full-time work, 2009-10, women aged 15 to 64 not in education**

Percentage of working-age female population



Note: FB stands for foreign-born; NB for native-born.

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Notes and sources are at the end of the chapter.

7.3. Skill level of employment

Background information

The skill level of employment is measured in terms of the international standard classification of occupations (ISCO) provided by the ILO, which groups jobs according to the tasks and duties undertaken. The ISCO distinguishes about 400 individual occupations that are grouped into job families.

Three main skill levels of jobs can be distinguished. Managers, professionals, technicians and associate professionals (ISCO 1-3) are defined as highly skilled jobs. Elementary occupations (ISCO 9) are defined as low-skilled jobs. All other occupations (ISCO 4-8) are defined as medium-skilled jobs.

The skill classification in survey data, as used here, is based on the respondents' self-declaration and provides no information on whether or not the job holder actually has the skills demanded by the job, or whether or not the incumbent has been trained on the job, or whether he or she acquired skills for any other job. This section on skill level of employment should be seen as an introduction to the following section on overqualification.

On average across OECD countries, 16% of employed immigrants work in low-skilled jobs, compared with 7% for the native-born (Table 7.A1.1). In all OECD countries, immigrants are overrepresented in low-skilled jobs. In Greece, immigrants are almost eight times more often employed in such jobs than the native-born. In Austria, Iceland, Italy and Norway, employed immigrants are about three times as likely to be in a low-skilled job as the employed native-born.

In many countries, immigrants take up a large portion of menial jobs – more than 70% in Luxembourg, about half in Greece and Switzerland and almost 40% in Austria, Italy and Spain (Figure 7.6).

Among immigrants, there is a clear gender dimension to the incidence of low-skilled employment. Twenty-two per cent of employed immigrant women are in low-skilled employment, twice the share among men. Among the native-born, no such gender difference is discernible (Figure 7.7).

The situation for highly skilled occupations broadly mirrors that for the low-skilled except in settlement countries (Australia and Canada), where immigrants are slightly overrepresented both among low and highly skilled employees and therefore underrepresented among the medium-skilled. In the rest of the countries where immigrants are overrepresented in low-skilled jobs, they are underrepresented in highly skilled jobs, especially in southern European countries where much recent labour migration is concentrated in lower-skilled jobs. The same pattern applies in some countries with a long-standing immigration history, such as Austria, the Netherlands and Sweden, where immigrants are underrepresented in highly skilled jobs by more than 10 percentage points. Among European countries, only in Hungary and Portugal are immigrants not underrepresented in highly skilled occupations.

Figure 7.6. **Foreign-born worker share of low-skilled jobs, workers aged 15 to 64, 2009-10**

Percentage

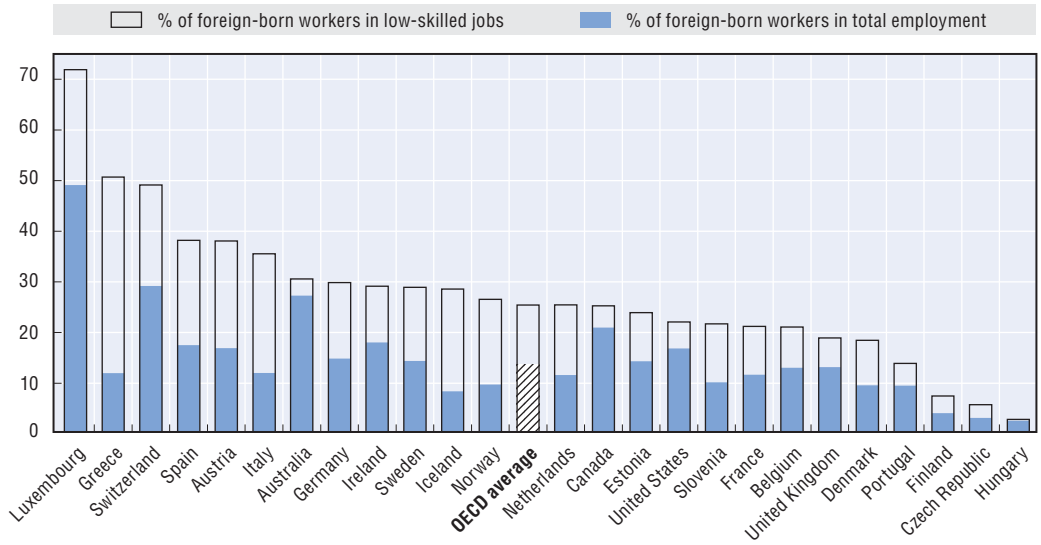

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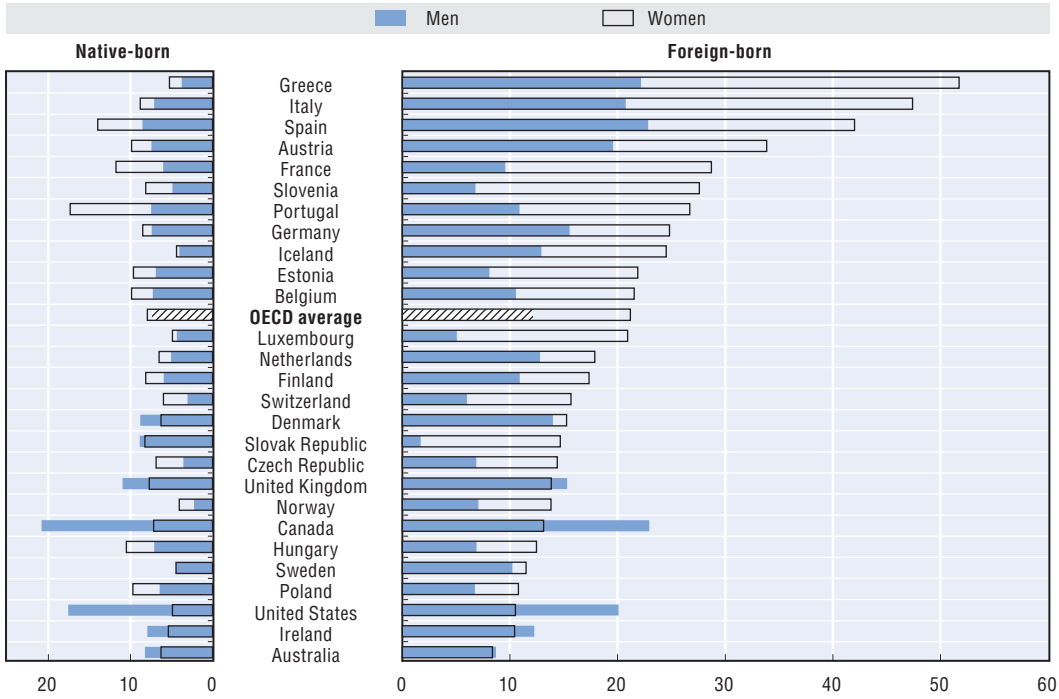
Figure 7.7. **Foreign- and native-born workers aged 15 to 64 in low-skilled jobs, by gender, 2009-10**

Percentage of all jobs



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Notes and sources are at the end of the chapter.

7.4. Overqualification

Outcomes and trends

Background information

Overqualification refers to a situation in which the actual level of formal education is higher than that required by the job. The limited transferability of human capital across countries (in particular owing to limited language skills, the lack of efficient professional network and the non-recognition of one's qualification) makes it more likely that some immigrants will take up jobs below their formal education level.

The level of educational attainment is measured in terms of the international standard classification of educational degrees (ISCED) and the level of job classification in terms of the international standard classification of occupations (ISCO – see previous section). A person with a tertiary degree and above (ISCED 5 and above) is defined here as highly educated. The focus of this indicator is on the highly educated, who are thus "overqualified" for their jobs if they are in occupations other than those defined as highly skilled. Managers of small enterprises (ISCO 131) have been excluded. The matching of educational levels and job categories is somewhat arbitrary, since the exact prerequisites for any given job are not examined and may vary across countries. Furthermore, the available data only allow for a measurement of formal qualifications, which excludes skills acquired outside the classroom and prior work experience. Finally, part of the observed difference is due to lower literacy, which in turn indicates that foreign degrees may not always be fully equivalent to those acquired in the country of residence.

On average across OECD countries, 28.3% of highly educated immigrants are formally overqualified for the jobs that they hold, compared with less than 17.6% for the native-born. The incidence of immigrant overqualification as well as the differences with the native-born are particularly high in Greece, Italy and Spain – where many migrants have arrived more recently as labour migrants taking up low-skilled jobs. Immigrants are also much more likely to be overqualified in countries where migration is motivated by humanitarian reasons, for example, in Sweden and Norway. The figure for immigrant women is slightly higher than that for men, 29.4% compared with 27% (Figure 7.8).

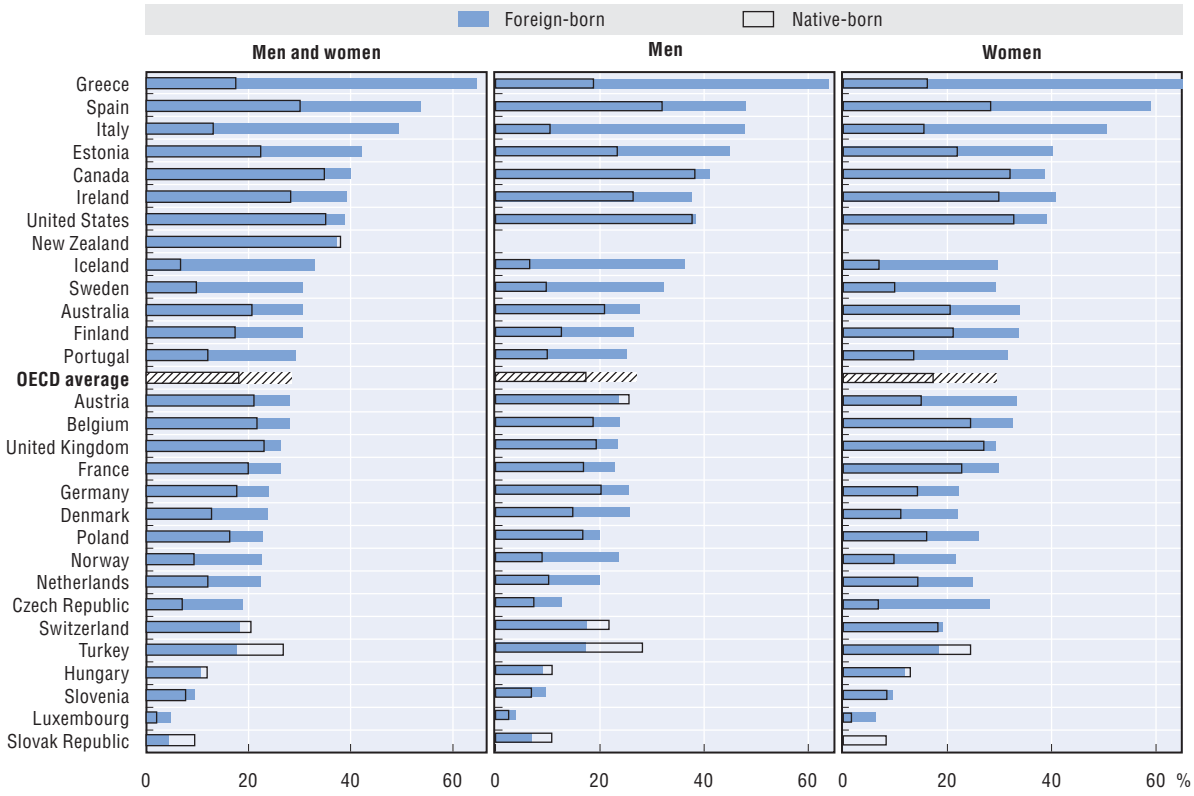
Whereas the incidence of overqualification has broadly remained constant for native-born populations on average across OECD countries, it has increased among immigrants since 2003-04. Increases were again strong in southern European countries and Ireland, but also in Austria, Finland, France and the United Kingdom. In contrast, in Germany and Norway, immigrant overqualification rates declined between 2003-04 and 2009-10 (Figure 7.9).

In most countries, the incidence of overqualification decreases with the duration of stay and hence with the acquisition of host-country language and other skills as well as the development of networks (Figure 7.A2.1). In Greece, Italy, Portugal and Spain, at least two-thirds of recent highly educated employed immigrants are in jobs for which they are formally overqualified. In Ireland, their overqualification rate is close to 50%.

In all countries, except Slovenia, immigrants from OECD high-income countries are less likely to be overqualified than other immigrants (Figure 7.A2.2). On average, there is virtually no difference in the likelihood to be overqualified between immigrants from high-income OECD countries and the native-born. In contrast, immigrants from other countries are on average more than twice as likely as the native-born to be overqualified for their jobs. Their formal qualifications are thus highly discounted in the labour markets of OECD countries. The discount is mainly observed for those who have obtained their qualifications in non-OECD countries (Figure 7.A2.3). In contrast, immigrants trained in the country of residence have similar overqualification rates to the native-born (and in some countries, even lower rates) and always lower than those who have acquired their qualifications abroad.

Figure 7.8. **Overqualification rates of highly educated employees aged 15 to 64 not in education, by country of birth and gender, 2009-10**

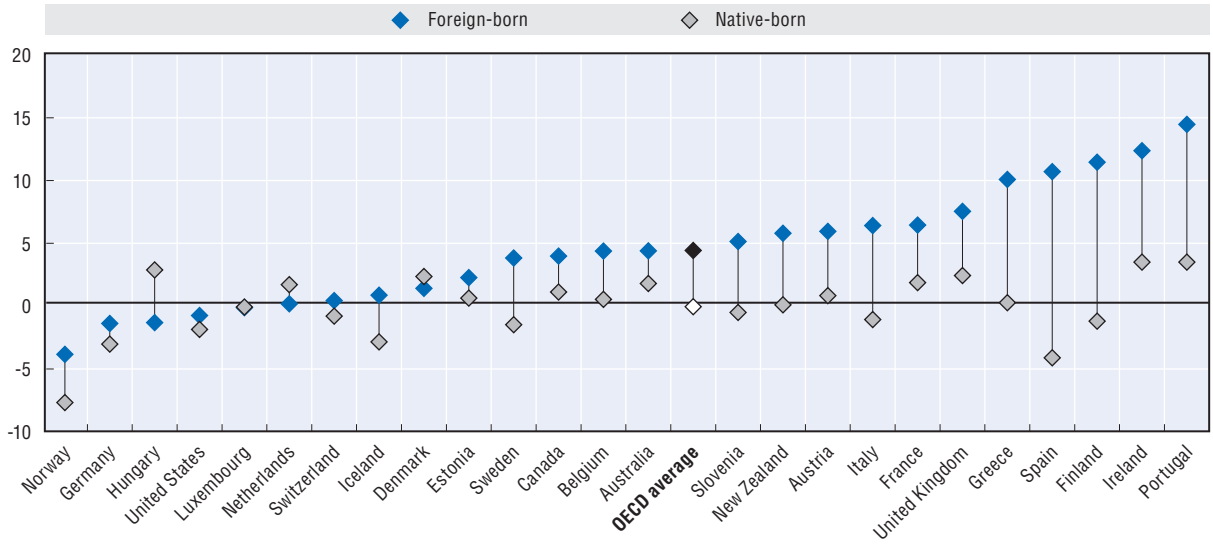
Percentage



StatLink http://dx.doi.org/10.1787/888932735521

Figure 7.9. **Change in overqualification rates of highly educated foreign- and native-born employees aged 15 to 64 not in education, 2003-04 to 2009-10**

Change in percentage points



StatLink http://dx.doi.org/10.1787/888932735540

Notes and sources are at the end of the chapter, as well as an annex including three additional figures.

7.4. Overqualification

Native-born offspring of immigrants' outcomes

Background information

Immigrants often hold higher degrees than their job requires owing to the limited transferability of human capital across countries. This does not apply to native-born offspring of immigrants who should have the same magnitude of skill mismatch between formal educational attainment levels and jobs as the offspring of native-born, if all differences between foreign- and native-born populations (refer to the previous section) are related to the transferability of human capital or to the quality of qualifications acquired abroad.

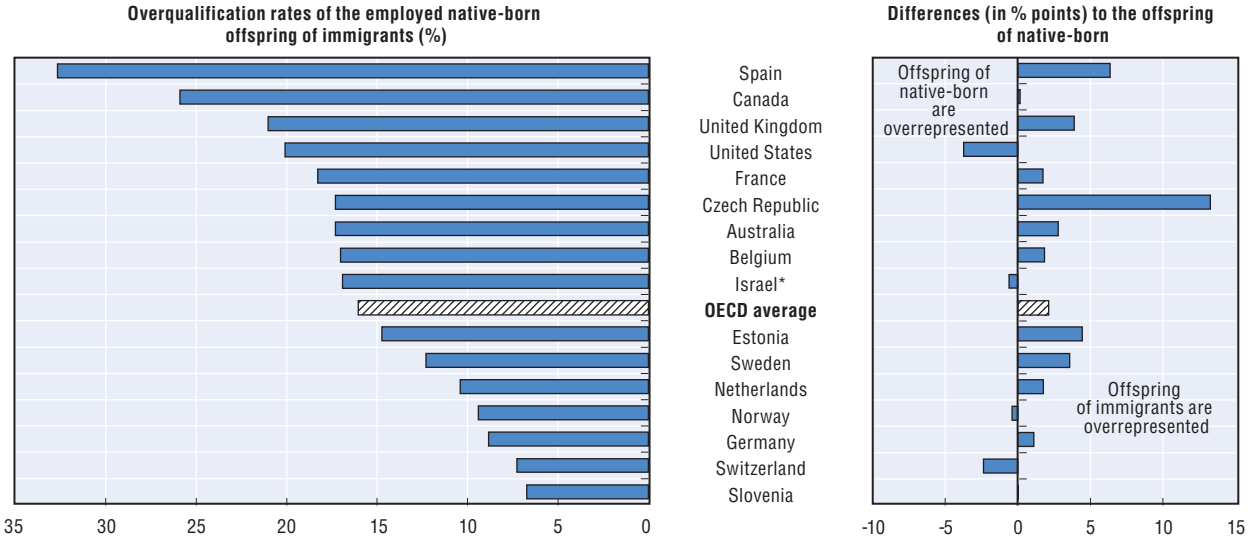
For sample size issues, the definition of an overqualified person is extended to persons holding medium-level education. In the following section, overqualified persons are persons holding medium-level education (ISCED 3/4) and working in low-skilled jobs (ISCO 9) or holding high-level education (ISCED 5/6) and working in low- or medium-skilled jobs (ISCO 4 to 9). The overall incidence of overqualification of the highly educated is presented only at the end of this section.

The native-born offspring of immigrants are defined as persons born in the country of residence for whom both parents are foreign-born. The reference population consists of persons for whom at least one parent is native-born. The population under review is between 15 and 34 years old and not in education.

In 2008, on average across OECD countries, around 16% of native-born offspring of immigrants aged 15 to 34 are overqualified, compared with 13% of the offspring of native-born parents. The rate ranges from less than 10% in Germany, Norway, Slovenia and Switzerland to more than 25% in Canada and Spain. In the United Kingdom and the United States, a significant share of native-born offspring of immigrants is overqualified (about 20%). In the latter country as well as in Switzerland, are the offspring of the native-born more likely to be overqualified than the offspring of immigrants (Figure 7.10).

When accounting only for the highly educated, in Estonia, Germany and the Netherlands, the highly educated native-born offspring of immigrants face more problems in finding jobs corresponding to their formal qualification than do offspring of the native-born (Figure 7.11). Conversely, in Canada, Switzerland and the United States, the overqualification rate of the highly educated native-born offspring of immigrants is below the share of their counterparts with native-born parents. In Switzerland, this is mostly a result of the important share of immigrants from other OECD countries, especially from neighbouring countries, sharing a common language. In Canada and the United States, this is possibly linked to selective highly skilled migration as inter-generational transmission of education is generally strong.

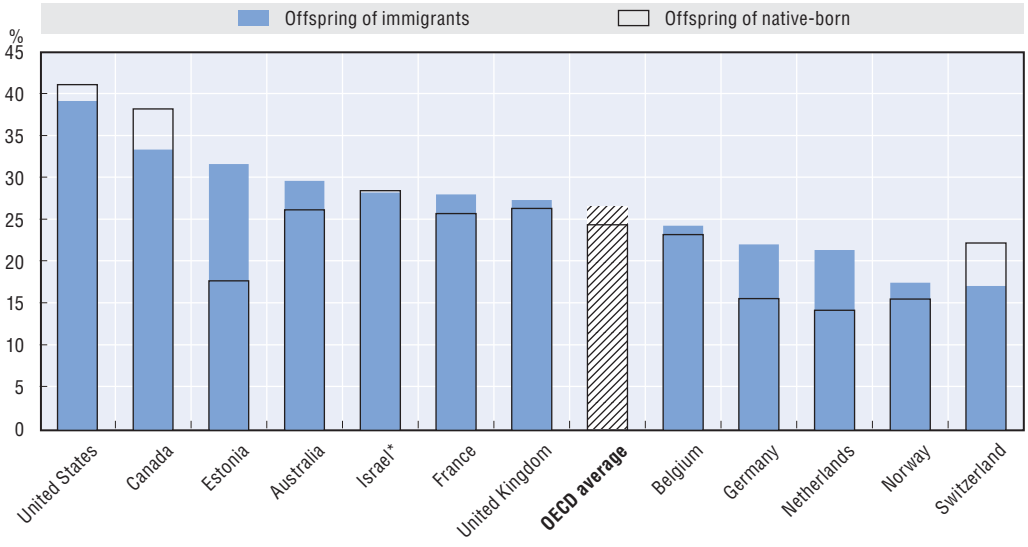
Figure 7.10. **Overqualification of native-born offspring of immigrants compared with offspring of native-born, persons aged 15 to 34 not in education, 2008**



StatLink http://dx.doi.org/10.1787/888932735559

Figure 7.11. **Overqualification of highly educated, native-born offspring of immigrants and offspring of native-born, persons aged 15 to 34, 2008**

Percentage of the highly educated employees in each group



StatLink http://dx.doi.org/10.1787/888932735578

Notes and sources are at the end of the chapter.

7.5. Self-employment

Background information

The incidence of self-employment among immigrants is a rough indication of the degree to which they contribute to job creation. Self-employment is heterogeneous and the characteristics of self-employed immigrants may differ from those of the native-born. Self-employment may also be a strategy for migrants to escape marginalisation in the labour market and, depending of the characteristics of the business, may not imply successful labour market integration. Comparisons with the native-born population may be biased by the fact that, in some countries, setting up a business is conditional to the number of years spent in the host country. Moreover, immigrants may face credit constraints and hence may be less likely than native-born to have the necessary capital to start their business.

In this section, the self-employed are individuals who work in their own business or practice for the purpose of earning profit. It includes both employers as well as the self-employed without employees. The self-employment rate gives the percentage of the self-employed among the working age (15 to 64) employed population, excluding agricultural activities.

The data are based on self-declaration in surveys and do not necessarily match with registered businesses. The incidence of self-employment itself provides no information on employment creation, business success and/or survival.

Because of sample size issues, this indicator is not presented for native-born offspring of immigrants.

On average across OECD countries, 12.6% of the foreign-born are self-employed, slightly less than among the native-born. Except in southern European countries and Ireland where native-born are more likely to be self-employed than foreign-born, there is little difference in the self-employment rate between the two groups (Figure 7.12). The relatively low incidence of migrant self-employment may be surprising, since immigrants often come from countries in which self-employment is high. However, the business environment in the host country is often different from that in origin countries. Immigrants often lack knowledge, at least initially, about the host country's business context, rules and requirements as well as substantial capital necessary to set up a business.

In southern European countries and Ireland, self-employment among the native-born is high, and a large part of the immigrant population has only recently arrived. Therefore, immigrant self-employment rates are lower than those for the native-born. Figure 7.13 illustrates the link between duration of residence and self-employment. In most OECD countries, the incidence of self-employment is higher among immigrants with more than ten years of residence than among immigrants who have arrived more recently which supports the idea that immigrants lack capital and networks in the first years of residence.

Immigrant self-employment also differs quite significantly by origin. In general, immigrants from OECD high-income countries are more likely to be self-employed than immigrants from lower-income countries (Figure 7.14). The exceptions are the Czech Republic, Finland and the United Kingdom, where many immigrants from lower-income countries come from Asian countries and tend to have particularly high self-employment rates.

Figure 7.12. **Foreign- and native-born self-employed aged 15 to 64, 2009-10**

Percentage of total employment (excluding agricultural activities)

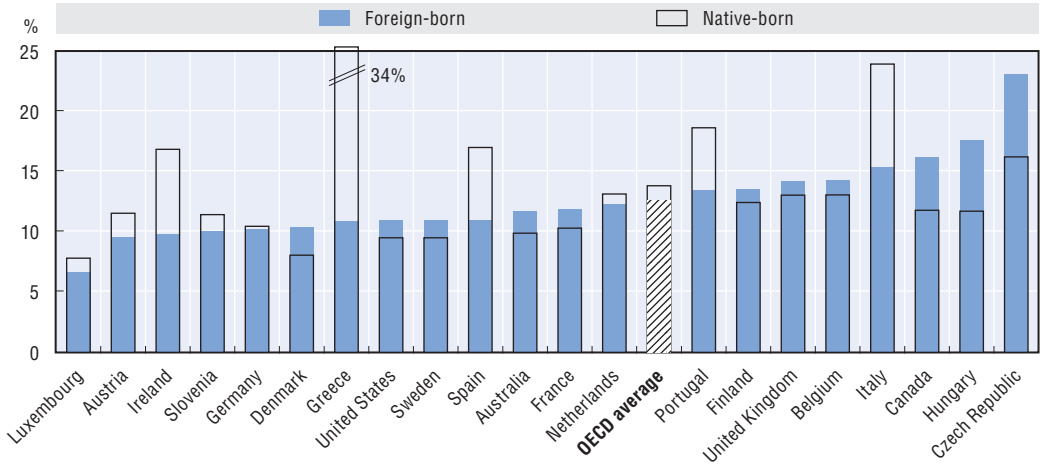


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Figure 7.13. **Foreign-born self-employed aged 15 to 64, by duration of stay, 2009-10**

Percentage of total employment (excluding agricultural activities)

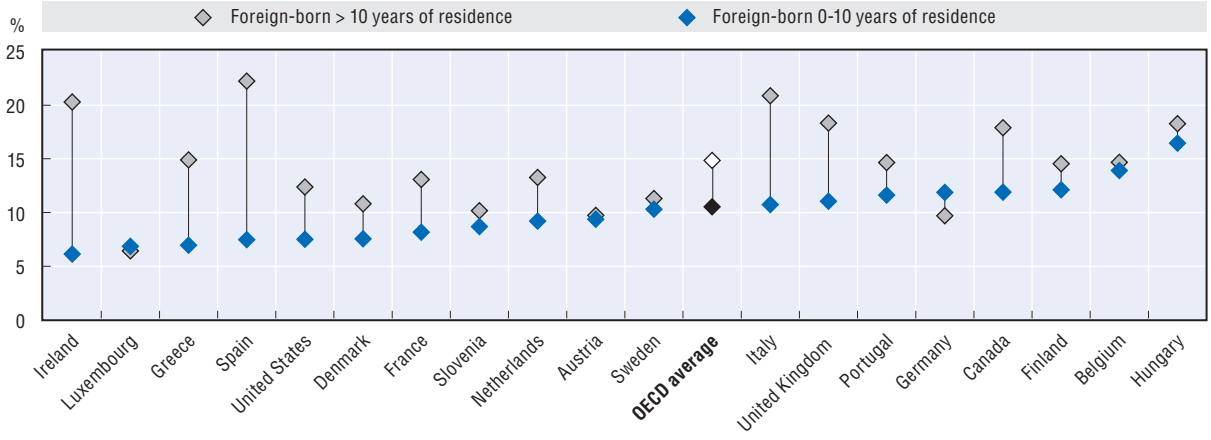

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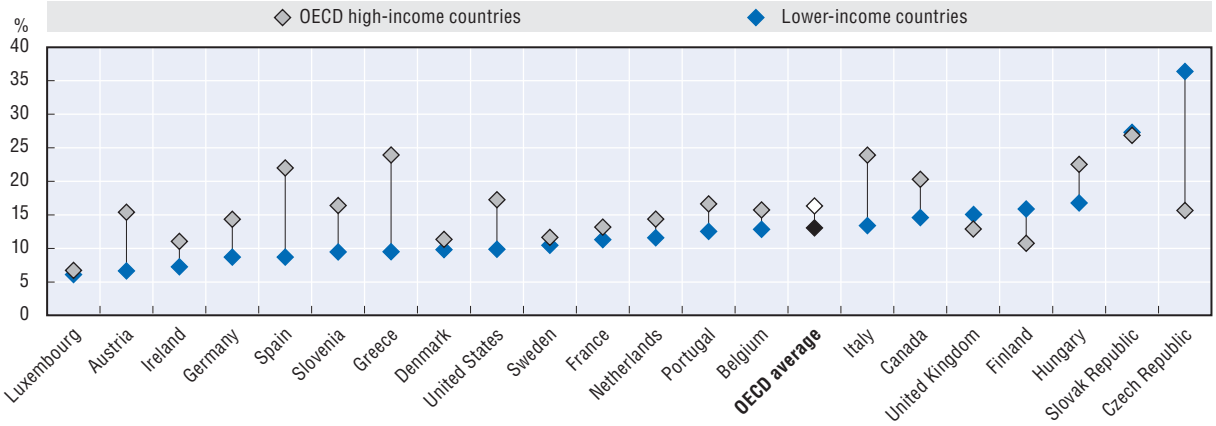
Figure 7.14. **Foreign-born self-employed aged 15 to 64, by origin, 2009-10**

Percentage of total employment (excluding agricultural activities)



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Notes and sources are at the end of the chapter.

7.6. Native-born offspring of immigrants in the public sector

Background information

The incidence of persons with a foreign background in the public sector may affect the degree to which they are integrated in the labour market. Comparisons of the share of jobs in the public sector among the foreign- and native-born populations, however, are biased by the fact that a portion of these jobs is restricted to persons who are nationals of the host country. Therefore, the incidence of employment of persons with a foreign background in the public sector would *de facto* exclude a substantial part of immigrants with a foreign nationality. For this reason, the following section only focuses on native-born offspring of immigrants, the bulk of whom are nationals of the host country.

Employment in the public sector is defined as the population working in public administration, human health and social work activities or in education.

The native-born offspring of immigrants are defined as persons born in the country of residence for whom both parents are foreign-born. Offspring of native-born consist of persons for whom at least one parent is native-born. The population under review is between 15 and 34 years old and not in education. In what follows, sample size issues limit the number of analysis that could be carried out.

On average across OECD countries, in 2008, 17% of native-born offspring of immigrants were employed in the public sector compared with 24% among the offspring of native-born parents. The highest share of public sector employment of the native-born offspring of immigrants is observed in the United Kingdom, where about one in four persons with immigrant parents is employed in the public sector, followed by France (22%), Norway (22%) and Luxembourg (20%). The smallest figures are registered in Australia, Estonia and Spain where only 10% or less of the native-born offspring of immigrants aged 15 to 34 are employed in the public sector (Figure 7.15).

With the exception of Canada, Israel* and the United Kingdom, the native-born offspring of immigrants are less likely to be employed in the public sector than the offspring of native-born. The largest differences with the offspring of native-born parents are observed for Luxembourg where more than half of the offspring of native-born are employed in the public sector (compared with 21.5% of the native-born offspring of immigrants) (Figure 7.15).

Large differences in employment rates with offspring of native-born in Belgium and Spain are partly explained by the low share of employment in the public sector among native-born offspring of immigrants (Figure 7.16). The same trend is observed in Denmark, Germany and Sweden with nevertheless smaller gaps with the employment rates of the offspring of native-born. In contrast, the relatively low share of offspring of immigrants in the public sector in Luxembourg is offset by the large number of jobs they hold in the private sector.

In most OECD countries, about two-thirds of public sector employment is in the education and health sectors. This pattern holds for both native-born offspring of immigrants and the offspring of native-born. While in France, the United Kingdom and the United States, more than half of native-born offspring of immigrants working in the public sector are highly educated, they are predominantly medium-educated in other countries for which sample sizes are big enough to disaggregate data by level of education (namely Belgium, Germany, the Netherlands, Sweden and Switzerland). In these countries, highly educated native-born offspring of immigrants are underrepresented in the public sector, compared with the situation of offspring of native-born. However, their underrepresentation is less pronounced than the overall trend in France, Germany and Switzerland. The reverse is true in Sweden, the United Kingdom and the United States where the highly educated native-born offspring of immigrants are even more underrepresented in the public sector than lower educated native-born offspring of immigrants (Figure 7.17).

Figure 7.15. **Public sector employment of native-born offspring of immigrants compared with the offspring of the native-born, persons aged 15 to 34, 2008**

Percentage of total employment

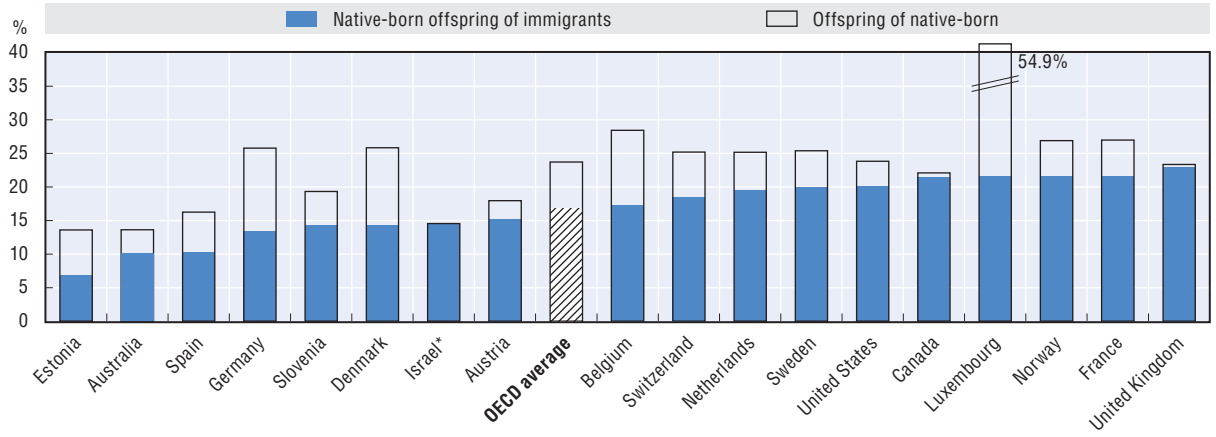

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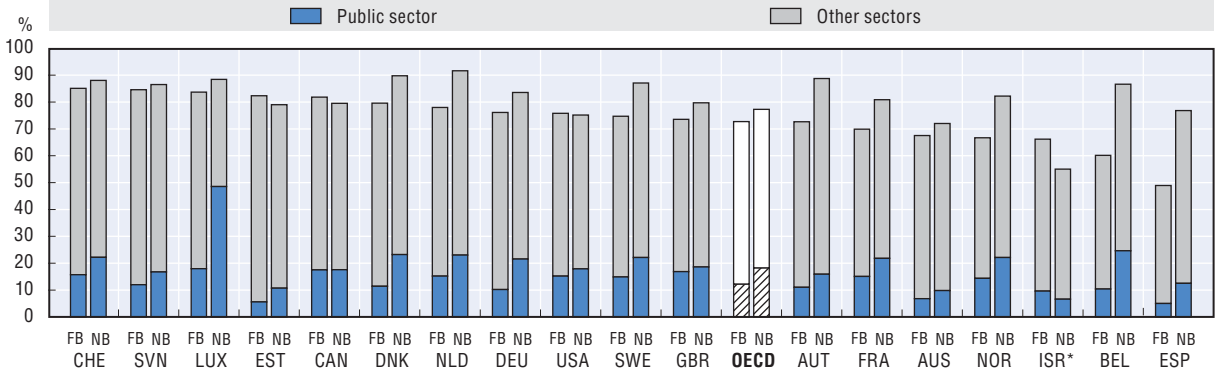
Figure 7.16. **Decomposition of employment rates into employment in the public sector and in other sectors, persons aged 15 to 34, by parents' place of birth, 2008**

Percentage of the population aged 15 to 34

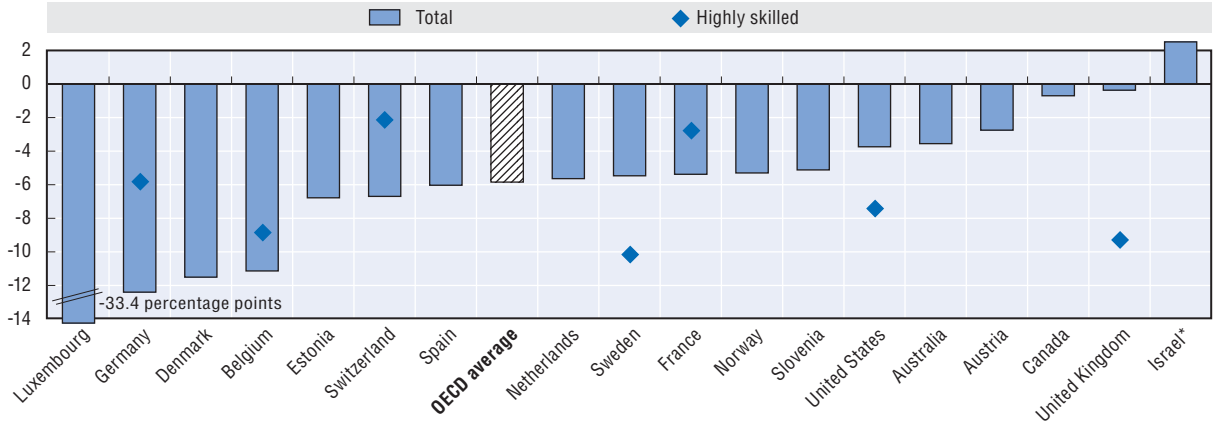


Note: FB stands for native-born offspring of immigrants; NB for offspring of native-born.

StatLink http://dx.doi.org/10.1787/888932736319

Figure 7.17. **Native-born offspring of immigrants employed in the public sector by level of education, persons aged 15 to 34, 2008**

Difference with the offspring of native-born in percentage points



StatLink http://dx.doi.org/10.1787/888932736604

Notes and sources are at the end of the chapter.

Measurement

Job stability is measured here in terms of contractual situation – temporary versus permanent employment (Indicator 7.1). The degree to which migrants' human capital is used in the labour market is first captured in this chapter by the number of hours worked (Indicator 7.2). Second, matching between job level and individual qualification (Indicators 7.4) is introduced by a presentation of job skills (Indicators 7.3). Migrants can also integrate into the labour market as entrepreneurs. However, comparing entrepreneurship and employment creation of immigrants across OECD countries is not straightforward, owing to lack of adequate data. A proxy measure (the incidence of self-employment) is presented below (Indicator 7.5). Finally, the share of employment in the public sector is examined (Indicator 7.6). However, comparisons of the share of jobs in the public sector between foreign- and native-born populations are biased by the fact that part of these jobs is restricted to persons who are nationals of the host country. Therefore, Indicator 7.6 only focuses on the native-born offspring of immigrants, the bulk of whom are nationals of the host country. Low native-born offspring of immigrants' integration in the public sector can partly explain the differences in employment rates with the offspring of native-born parents.

Owing to sample size limitations, some indicators are only presented for foreign- and native-born populations and not for the native-born offspring of immigrants. Persons still in education have been excluded from most indicators. This makes it possible to limit the impact of differences in age structure on outcomes without excluding young employed persons from the analysis.

Notes, sources and further reading

Notes for tables and figures

In many countries, the LFS sample is selected from a stratified sampling design. In the case of Norway, the sample frame is based on the Central Population Register. As of recent, the country of birth is used as a stratification variable and therefore outcomes are not comparable to previous estimates. Only 2010 estimates could be revised. Evolution in outcomes since 2000 is based on non-revised figures and therefore should be interpreted with caution. Data on native-born offspring of immigrants and on native-born parents are extracted from the Central Population Register.

Figure 7.5: Data for the United States include persons still in education.

Figure 7.8: Countries are ranked by immigrants' rate of overqualification (men and women).

Figure 7.17: Sample sizes of highly educated native-born offspring of immigrants employed in the public sector are too small to produce reliable estimates in most countries.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Sources

Immigrant and native-born populations

European Union Labour Force Survey (Eurostat); Australian, Canadian, Israeli and New Zealand Labour Force Surveys; US Current Population Survey.

Native-born offspring of immigrant and of native-born parents

Australian Survey of Education and Training 2009; 2006 Canadian Census; European Union Labour Force Survey, *ad-hoc* module 2008 (Eurostat); Israeli Labour Force Survey 2009; US Current Population Survey 2008.

Further reading

OECD (2002), "Taking the Measure of Temporary Employment", Chapter 3 in *OECD Employment Outlook*, OECD Publishing, Paris.

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OECD (2012b), *International Migration Outlook,* OECD Publishing, Paris.

ANNEX 7.A1

Skill level of employment

Table 7.A1.1. **Foreign- and native-born workers aged 15 to 64 by skill level of employment (ISCO), 2009-10**

	Foreign-born			Difference with the native-born +: higher than native-born –: lower than native-born		
	Percentages			Percentage points		
	Low-skilled	Medium-skilled	High-skilled	Low-skilled	Medium-skilled	High-skilled
Australia	9	44	48	1.7	–4.8	4.0
Austria	26	46	28	17.6	–5.3	–12.4
Belgium	15	44	40	6.8	–1.0	–5.7
Canada	18	35	47	4.0	–6.8	2.9
Czech Republic	10	53	37	5.0	–1.7	–3.3
Denmark	15	40	46	7.0	–2.1	–4.9
Estonia	16	50	34	7.4	0.8	–8.2
Finland	14	45	41	6.9	–0.9	–6.0
France	18	46	36	9.4	–2.0	–7.5
Germany	20	52	28	11.7	4.6	–15.9
Greece	34	58	9	29.3	0.1	–29.4
Hungary	10	45	45	1.1	–11.4	10.3
Iceland	19	48	33	14.5	4.4	–18.9
Ireland	11	50	39	4.7	0.4	–5.1
Italy	32	54	14	24.3	2.8	–27.1
Luxembourg	12	31	57	7.4	–7.4	0.0
Netherlands	15	44	41	9.5	3.7	–13.1
Norway	10	49	41	7.0	0.5	–7.6
Poland	9	44	47	0.8	–14.2	13.5
Portugal	19	54	27	6.7	–7.9	1.2
Slovenia	16	57	28	9.6	6.1	–15.6
Spain	32	51	17	21.1	–0.6	–20.6
Sweden	11	52	37	6.4	5.0	–11.4
Switzerland	10	47	43	5.9	2.5	–8.4
United Kingdom	15	41	44	5.2	–5.1	–0.1
United States	16	56	28	4.6	4.2	–8.7
OECD average	**16**	**47**	**36**	**9**	**–2**	**–7**

Source: European Union Labour Force Survey; US Current Population Survey; Australian and Canadian Labour Force Surveys.

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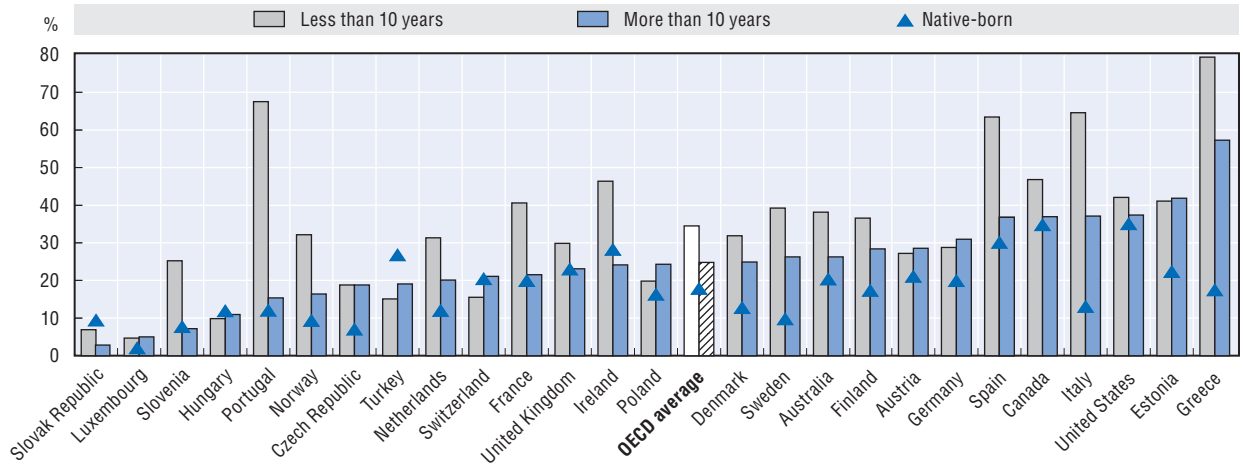
ANNEX 7.A2

Overqualification

Figure 7.A2.1. **Overqualification rates of highly educated immigrants aged 15 to 64 not in education, by duration of stay, 2009-10**

Percentage of highly educated employees

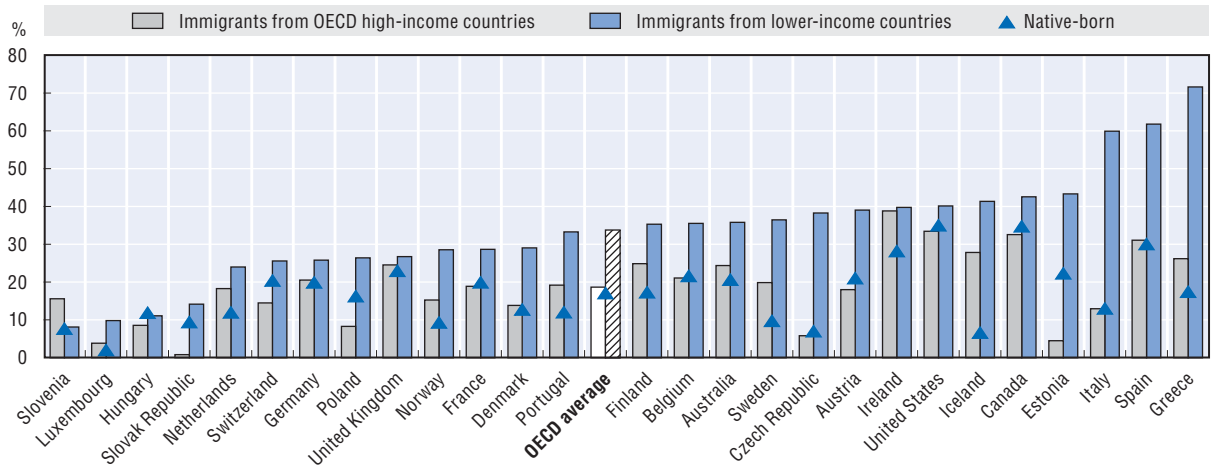


Source: European Union Labour Force Survey; US Current Population Survey; Australian and Canadian Labour Force Surveys.

StatLink http://dx.doi.org/10.1787/888932735654

Figure 7.A2.2. **Overqualification rates of highly educated immigrants aged 15 to 64 not in education, by region of origin, 2009-10**

Percentage of highly educated employees



Source: European Union Labour Force Survey; US Current Population Survey; Australian and Canadian Labour Force Surveys.

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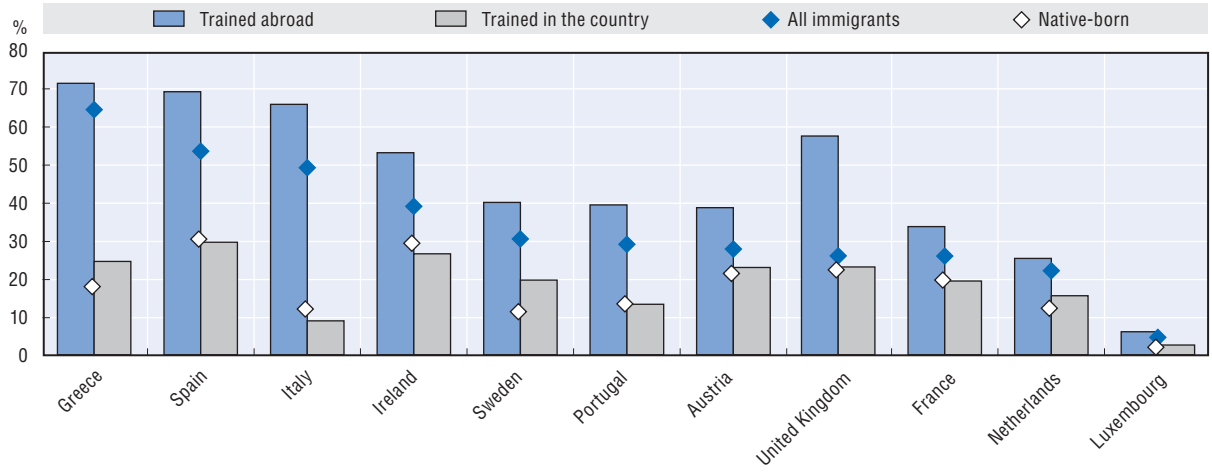
Figure 7.A2.3. **Overqualification rates of highly educated immigrants aged 15 to 64 not in education, by place of diploma, 2008**

Percentage of highly educated employees



Source: European Union Labour Force Survey, 2008 ad-hoc module (Eurostat).

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Chapter 8

Civic engagement

Taking an active part in society is probably one of the best indicators of integration. It shows how far down the road an immigrant has come towards settling in and broadening involvement beyond material necessity. It is a marker of integration in the sense that it shows the interest that migrants hold for the functioning of their society and their ability and willingness to express their voice. Dimensions to gauge the extent to which migrants feel involved in society include involvement in broad voluntary societal activities, which might include membership and participation in associations, volunteer work, and, where by choice, enrolment in trade unions or political parties. Political participation is one dimension of implication in society. However, this dimension concerns only immigrants who have the citizenship of the country of residence.

The degree of confidence in institutions, such as schools, police, and justice is closely related to one's willingness to take an active part in the society. Citizenship is also a key determinant, as foreigners do not always have the same civic rights as citizens. Socio-demographic characteristics, such as age, income and education play a role. Immigrants who have lived in the country longer are more likely to participate in civic activities. Language proficiency is also a factor, since it determines the ability to express one's voice in the public debate.

In this chapter, the acquisition of nationality is examined (both in terms of stocks and flows, Indicator 8.1) as well as the participation in voting for those who have acquired the nationality of the host country (Indicator 8.2). For a discussion on these indicators, refer to the section "Measurement" at the end of this chapter.

8.1. Acquisition of nationality

Stocks of nationals in the immigrant population

Background information

The population considered in this section was born abroad and has the nationality of the host country, by declaration (*e.g.*, marriage) or through a naturalisation process. Persons born abroad with the nationality of the country of the current residence at birth (foreign-born children of expatriates, repatriates) are excluded when possible. The population under review is 15 years and over, unless otherwise stated. Ideally, naturalisation rates should be calculated by dividing the stock of naturalised persons by the eligible foreign-born stock. Because legislation on naturalisation is different from one country to another and within a country, depending on the conditions under which naturalisation is obtained (e.g., marriage, naturalisation), the definition of "eligible population" varies from one country to another. In the following section, the naturalised stock is presented as a percentage of the total stock of foreign-born. An adjusted naturalisation rate is presented that excludes recent migrants (*i.e.*, those having arrived within the last five years), most of whom are not eligible in any country.

No information on the citizenship of the foreign-born is available for Japan in the *OECD Database on Immigrants in OECD Countries* (DIOC), since the immigrant definition is based on nationality and not on the country of birth.

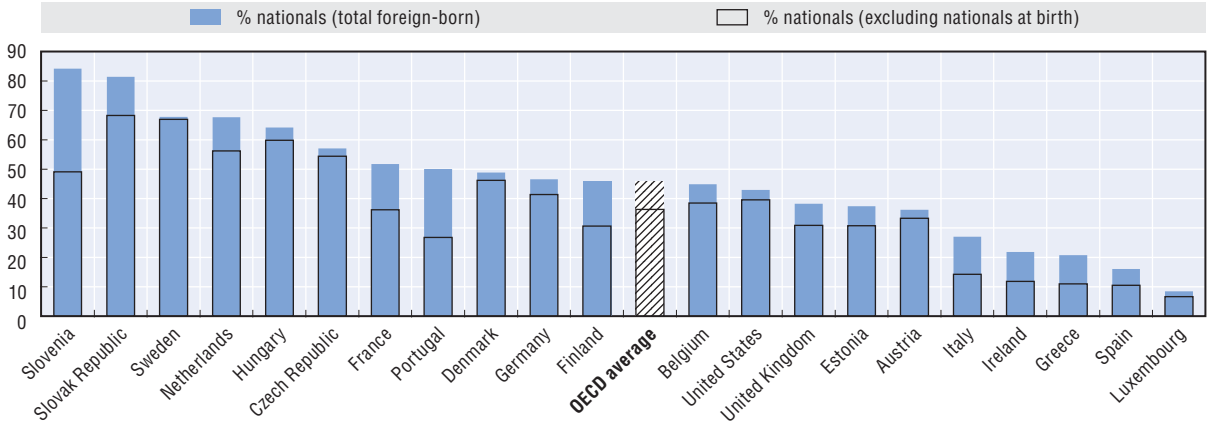
In 2005-06, 48% of the foreign-born population in OECD countries are nationals of the country of current residence. The highest shares are registered in Canada (75%), Australia and the Netherlands (about 70% each) (Figure 8.A1.1). At the other end of the spectrum is Luxembourg where only 10% of the foreign-born are Luxembourg nationals followed by Spain, Greece and Switzerland where less than one third of the foreign-born are nationals. In countries that have recently received many immigrants, the percentage of nationals among the foreign-born population increases substantially when recent migrants are excluded, most of whom are not eligible to become citizens. The percentage increases by 12% points on average in the OECD area, by 23% points in Spain and by more than 15% points in Finland, Norway and the United Kingdom.

In countries that have large numbers of nationals at birth, the rate decreases substantially when excluding this group (Figure 8.1), notably in Portugal by 23% points and Finland and France by 15% points.

In the European Union, naturalisation rates of persons whose former citizenship was European are generally lower than those of immigrants born in other regions, with the exception of some central and eastern European countries (Figure 8.2). In Australia and Canada, naturalisation rates are not very different from one group to another. In the United States, the rates for citizens from South and Central America are significantly lower, especially among immigrants from Mexico.

Comparing naturalisation rates by educational attainment levels shows that on average the acquisition of nationality is as likely among highly educated immigrants as among the low-educated. The picture is quite different, however, when looking separately at immigrants from an OECD high-income country and from another country. Low-educated immigrants from an OECD high-income country are more likely than their highly educated counterparts to be nationals (Figure 8.3). On the contrary, among immigrants originating from a lower-income country, those that are highly educated are more likely to be nationals than their low-educated counterparts (Figure 8.4).

Figure 8.1. **Share of nationals among the foreign-born population aged 15 to 64, 2008**



StatLink http://dx.doi.org/10.1787/888932735711

Figure 8.2. **Share of nationals among the foreign-born, by region of origin, population aged 15 and over, 2005-06**

Percentage

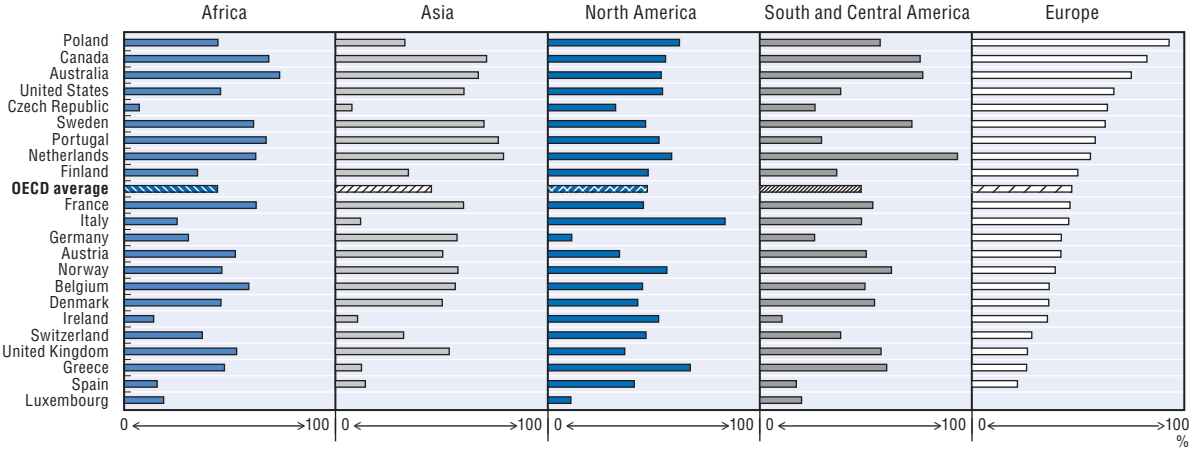


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Figure 8.3. **Naturalisation rates among immigrants born in an OECD high-income country, by level of education, population aged 15 and over, 2005-06**

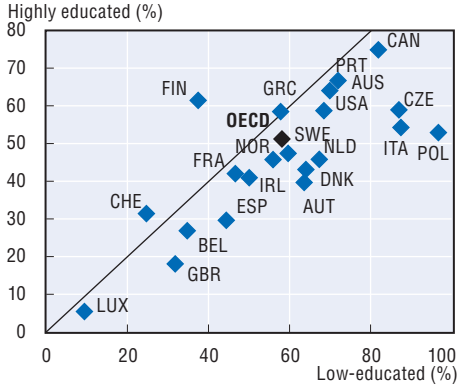

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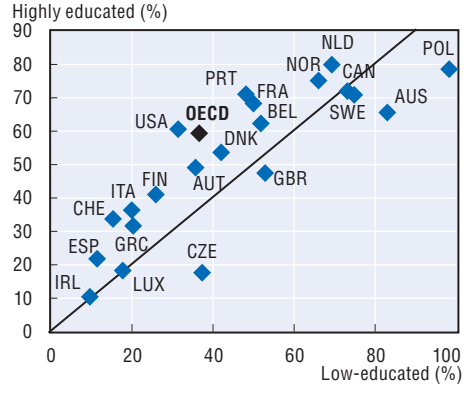
Figure 8.4. **Naturalisation rates among immigrants born in a lower-income country, by level of education, population aged 15 and over, 2005-06**



StatLink http://dx.doi.org/10.1787/888932735768

Notes and sources are at the end of the chapter.

8.1. Acquisition of nationality

Trends in naturalisation rate

Background information

This section provides flow data on the annual number of naturalisations on different grounds (by declaration, *e.g.*, marriage, or through a naturalisation process). These flow data are divided by the stocks of the foreign population at the beginning of the period. In addition to flow data, 2000-01 and 2009-10 stock data (number of nationals among immigrants – refer to previous section for definitions) are compared. The population under review is aged 15 years and over, unless otherwise stated. Ideally, naturalisation rates should be calculated by dividing the stock of naturalised persons by the eligible foreign-born stock. Because legislation on naturalisation is different from one country to another and within a country, depending on the conditions under which naturalisation is obtained (*e.g.*, marriage, naturalisation), the definition of "eligible population" varies from one country to another. In the following section, naturalised stock is presented as a percentage of the total stock of foreign-born.

No information on the citizenship of the foreign-born is available for Japan in the OECD Databases on Immigrants in OECD countries (DIOC), since the immigrant definition is based on nationality and not on the country of birth.

Naturalisation trends tend to follow migration flows with a time lag. Since 2000, more than 19 million people have been naturalised in the OECD area. Naturalisations peaked in 2000 and 2006-08, ranging between about 1.4 and 2.1 million. In 2010, more than 1.7 million foreigners took up the citizenship of an OECD country.

The trend is largely driven by the United States, which accounts for about half of all naturalisations in the OECD area. In the European Union, the number of naturalisations in 2009 passed, for the first time, the mark of 700 000 and hit a new record of 756 000 in 2010. The increase in 2010 is driven by the United Kingdom and Spain, reflecting large numbers of migrants in the preceding decade that have become eligible for naturalisation in the meantime. In Ireland, Italy, Portugal, the United Kingdom and to a lesser extent in Luxembourg and Switzerland, two countries with very low naturalisation rates at the beginning of the period (Table 8.1), the number of naturalisations also increased substantially.

The trend in the number of naturalisations is also driven by change in legislation. This is the case, for example, in Australia, Canada and New Zealand where the number of naturalisations continued their decline since their 2006-07 peak – partly following more stringent access rules. In Belgium and Germany as well, the number of naturalisations peaked at the beginning of the decade following the implementation of major reforms to facilitate naturalisation.

Despite an overall increase in the number of naturalisations, the share of nationals among the immigrant population decreased from 51.3% in 2000-01 to 47.3% in 2009-10 although in two-thirds of OECD countries under review the share remained stable (Figure 8.5). In countries that received large flows of foreigners over the decade (notably Greece, Ireland, Italy and Spain), most of whom are not yet eligible for naturalisation, the drop is particularly severe.

Table 8.1. **Trends in the number of naturalisations, 2000-10**

	2000-04		2005-09		2010	
	Numbers (annual average)	% of the foreign population	Numbers (annual average)	% of the foreign population	Numbers	% of the foreign population
Australia	82 044	. .	109 865	. .	95 284	. .
Austria	35 680	4.9	18 574	2.3	6 135	0.7
Belgium	47 989	5.5	33 982	3.6	. .	3.2
Canada	174 450	9.0	198 424	11.4	143 562	. .
Chile	. .	. .	812	. .	629	. .
Czech Republic	5 524	2.5	2 061	0.7	1 495	0.3
Denmark	13 914	5.3	6 823	2.4	3 006	0.9
Estonia	4 167	1.6	3 969	1.6	1 184	0.5
Finland	4 030	4.1	5 007	4.1	4 334	2.8
France	143 826	4.6	141 545	3.7	143 275	3.8
Germany	157 443	2.1	109 086	1.6	101 570	1.5
Greece	. .	. .	14 916	2.3	17 019	2.3
Hungary	6 038	4.9	7 678	4.8	6 086	3.1
Iceland	426	2.0	772	3.7	450	2.1
Ireland	2 836	1.8	5 088	1.6	6 387	. .
Italy	11 194	0.7	34 613	1.1	40 223	0.9
Japan	15 882	0.9	14 408	0.7	13 072	0.6
Korea	5 640	1.8	15 486	2.3	17 323	1.9
Luxembourg	712	0.4	1 711	0.8	4 311	2.0
Mexico	4 503	. .	4 643	. .	2 150	. .
Netherlands	39 386	5.8	29 243	4.2	26 275	3.6
New Zealand	22 610	. .	25 145	. .	15 173	. .
Norway	9 083	4.8	12 248	5.0	11 903	3.6
Poland	1 300	3.3	1 788	2.9	2 926	5.9
Portugal	1 253	0.4	12 376	2.8	24 478	5.4
Slovak Republic	3 754	12.8	988	3.5	239	0.4
Spain	23 089	1.2	68 149	1.4	123 721	2.2
Sweden	34 682	7.4	34 578	7.1	32 457	5.5
Switzerland	32 782	2.3	43 368	2.8	39 314	2.3
Turkey	17 683	. .	5 987	. .	. .	. .
United Kingdom	114 284	4.5	162 704	4.8	195 046	4.5
United States	614 211	2.8	751 520	3.5	619 913	2.9

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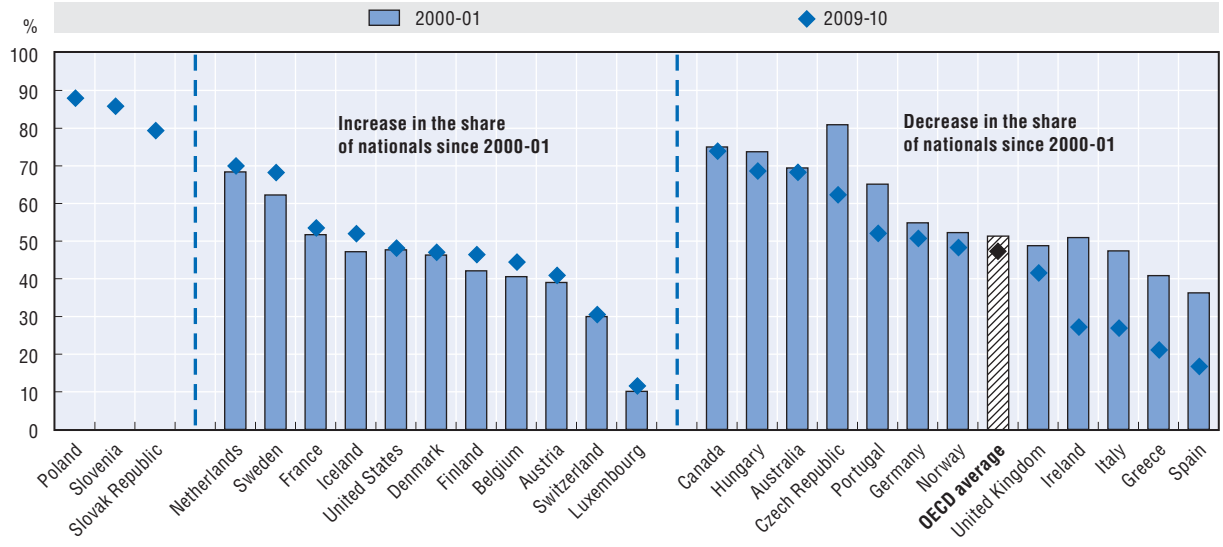
Figure 8.5. **Share of nationals among the foreign-born, population aged 15 and over, 2000-01 and 2009-10**



StatLink http://dx.doi.org/10.1787/888932736490

Notes and sources are at the end of the chapter.

8.2. Participation in voting

Background information

Voting participation can be measured by asking whether an individual cast a ballot in the most recent national election. A number of disclaimers affect the use of this indicator, however. First, most evidence is based on self-reporting which tend to overestimate voting participation. Self-reported participation rates are generally much higher than the actual total participation rates recorded by election authorities. Second, voting is mandatory in a number of OECD countries, so participation rates are not informative for these countries. Third, voting is restricted to citizens in most OECD countries and participation rates may merely reflect the greater integration of those immigrants that choose to naturalise or qualify for naturalisation. It may also reflect differences in criteria for naturalisation, since recent immigrants may be less interested in the political life of the host country and, if they are rapidly granted citizenship, may not vote at the same rate as immigrants who only acquire citizenship after a long stay in the host country. The data presented in this section give the self-reported voting participation as a percentage of eligible individuals (excluding minors and foreigners). The rates are adjusted, assuming what it would be if immigrants had the same distribution by age and education as their native counterparts.

In most countries, immigrants report a lower participation rate in the most recent election (Figure 8.6) than their native-born counterparts. The exceptions are Canada, where voting participation among the foreign-born population is only slightly below that of the native-born (3 percentage points) and certain eastern European countries. There is also a gender difference, but this varies between countries. The greatest gaps between immigrant and native-born voting rates are found in southern European countries and Luxembourg. In this latter country, this may be a result of the frequency of dual nationality, with dual nationals more committed to voting in their own – largely European – elections rather than in Luxembourg. In southern European countries, many immigrants with the right to vote are recent immigrants who acquired nationality through ancestry or marriage rather than ordinary naturalisation.

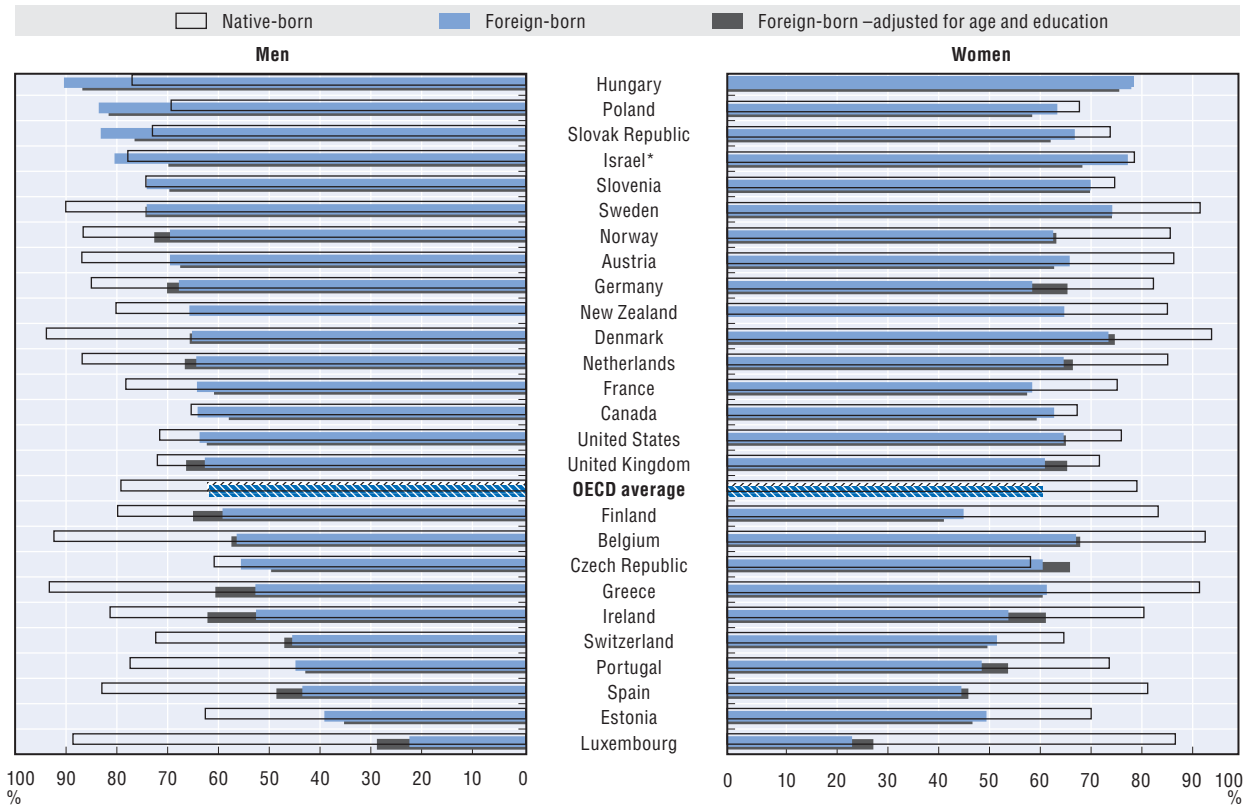
Adjusting the results for age and education reduces the gap between immigrants and native-born in most countries, but only slightly. The effect of adjustment actually increases the gap in countries where immigrants with voting rights tend to be older, such as Central Europe and Israel*. In some cases, adjusting for age and education reveals that immigrant women and immigrant men have more divergent electoral behaviour: in the Czech Republic and Portugal, for example, men are less likely to vote and women more likely, once these factors are taken into consideration.

In almost all OECD countries, longer-term residents have higher rates of electoral participation compared with all immigrants. In some cases, notably in Finland, Greece, Ireland, Portugal, Spain and the United Kingdom, long-term residents have self-declared participation rates more than 10 percentage points higher than immigrants in general. Furthermore, in several countries – Hungary, Israel and the United Kingdom – participation rates for long-term residents appear higher than those of native-born.

In the Benelux countries, Sweden and the United Kingdom, participation is lower among immigrants from OECD high-income countries (Figure 8.7). In southern Europe (Greece, Portugal and Spain), participation is higher for immigrants from OECD high-income countries. In the United States, participation of immigrants from OECD high-income countries is similar to that of native-born.

Figure 8.6. **Self-reported participation in most recent election, immigrants and native-born populations, by gender, 2002-10**

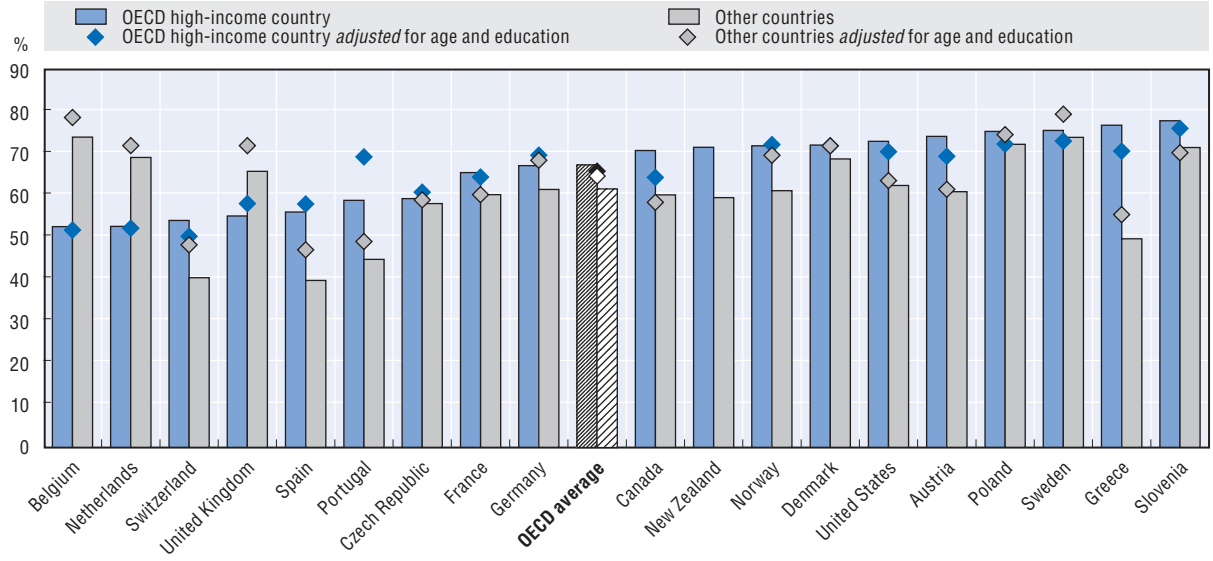
Percentage



StatLink http://dx.doi.org/10.1787/888932735787

Figure 8.7. **Self-reported participation in most recent election, immigrants from OECD high-income countries and immigrants from other countries, 2002-10**

Percentage



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Notes and sources are at the end of the chapter.

Measurement

While essential for the inclusion of immigrants into society, civic engagement is very difficult to measure. In the absence of a solid foundation for this concept, an attempt is made to partially capture it through the acquisition of nationality (both in terms of stocks and flows, Indicator 8.1) and participation in voting for those who have acquired the nationality of the host country (Indicator 8.2).

Acquiring the nationality of the country of residence can either be interpreted as a clear sign of active involvement in the society or the final stage of the integration process, showing the immigrant's affiliation to the host country. In any case, it is a condition for full participation in host countries' societies and it can have a positive effect on labour market outcomes. However, non-naturalisation does not imply that foreigners are not involved at all. Different reasons for not being naturalised are at play, such as restrictive legal criteria in some countries and the impossibility of maintaining dual nationality.

Voting is far from ideal as an indicator, since in most countries, it excludes all immigrants not eligible to vote (foreigners and, depending on the naturalisation rules, part of the recent migrants). Furthermore, political participation would be better captured by a wider overview, including for example other political activities (signing a petition, joining or donating to a political organisation, participating in political rallies or demonstrations, serving on political committees or standing for office).

Notes, sources and further reading

Notes

Figures 8.3 and 8.4: Weighted OECD averages.

Figure 8.6: For the Czech Republic, Israel and Slovenia, the differences between native-born and immigrant voting rates are not statistically different from zero at a probability of 0.05.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Sources

Indicators 8.1 and 8.2: Database on Immigrants in OECD Countries (DIOC) 2000 and 2005-06; German Microcensus 2008; European Union Labour Force Survey, 2008 ad-hoc module (Eurostat); OECD Database on International Migration; US Current Population Survey (CPS) 2008.

Indicator 8.3: 2002, 2004, 2006, 2008 and 2010 pooled European Social Survey data; US Current Population Survey (CPS) November 2008, voter supplement; New Zealand General Social Survey 2008; Canadian Labour Force Survey, 2011 supplement.

Further reading

Bevelander, P. and S. Pendakur (2009), "Social Capital and Voting Participation of Immigrants and Minorities in Canada", *Ethnic and Racial Studies*, Vol. 32, pp. 1406-1430.

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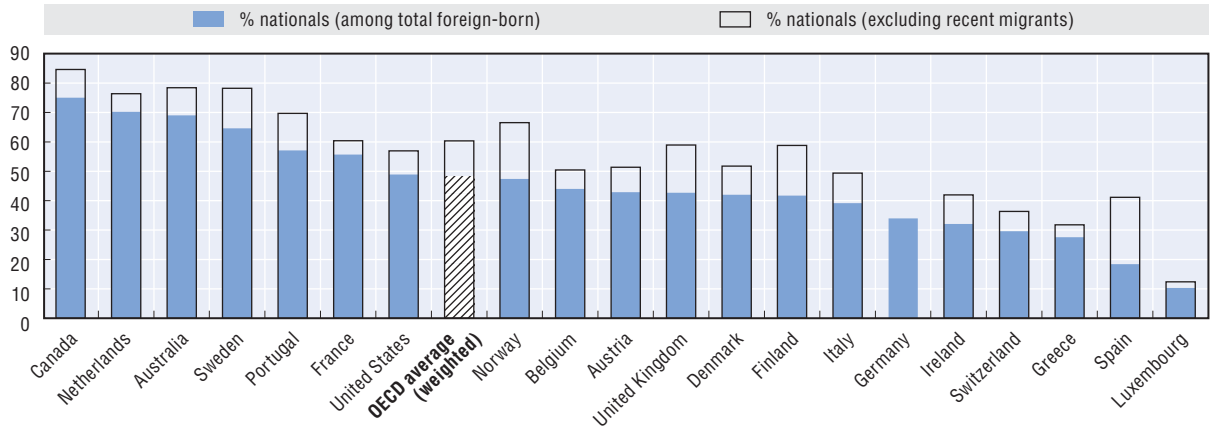
ANNEX 8.A1

Statistical annex

Figure 8.A1.1. **Share of nationals among the foreign-born population aged 15 and over, 2005-06**



Note: Including nationals at birth.

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Chapter 9

Discrimination

Across OECD countries, several indicators suggest persistent disadvantages for the integration of immigrants and their offspring when comparing their outcomes with those of the population without a migration background. Such disadvantages become manifest, for instance, in different employment prospects or housing conditions. Only part of these disadvantages can be explained by differences in socio-economic characteristics such as age, educational attainment, income or work experience. Disadvantage persist even after accounting for such factors, including for the children of immigrants who were born and educated in the receiving country and who should, in principle, not face the same obstacles as their immigrant parents (see OECD, 2007; OECD, 2008a; OECD, 2012).

One possible source of such persistent disadvantages may be discrimination against immigrants and their offspring. This chapter is an overview of the main concepts and available statistics related to discrimination that may affect immigrants and their offspring.

9.1. What is discrimination?

Across OECD countries, several indicators suggest persistent disadvantages for the integration of immigrants and their offspring when comparing their outcomes with those of the population without a migration background. Such disadvantages become manifest, for instance, in different employment prospects or housing conditions. Only part of these disadvantages can be explained by differences in socio-economic characteristics such as age, educational attainment and income or work experience. Disadvantage persist even after accounting for such factors, including for the children of immigrants who were born and educated in the receiving country and who should, in principle, not face the same obstacles as their immigrant parents (see OECD, 2007; OECD, 2008a; OECD, forthcoming).

One possible source of such persistent disadvantages may be discrimination against immigrants and their offspring. Ethnic discrimination is generally understood as differential treatment that disfavours an individual or a certain group of people owing to their ethnicity, race or nationality. It can come in various forms and may be inherent in individual behaviour or in institutional structures and practices.

Immigrants and their offspring can be subjected to discrimination by individuals such as employers when applying for jobs (see OECD, 2008b, for a comprehensive discussion of labour market discrimination), landlords or housing agents when looking for a place to live or credit officers when requesting a loan or mortgage. With respect to discrimination in such market situations, a distinction is generally made between *taste-based* discrimination that stems from ethnic or racial prejudice and *statistical discrimination*. The latter occurs, for example, where employers lack information about a job candidate's expected productivity or where landlords have doubts about the liability of a potential tenant. In a rational attempt to choose the best suited candidate, they resort to making assumptions about the candidate's suitability based on observable characteristics such as the migration background. In practice, it is often difficult to distinguish among the two types of discrimination, since discrimination of the statistical kind is often based on prejudices about migrants.

Disadvantages can also arise from institutional structures that favour the population without a migration background when it comes to access to certain services and goods. Structural/institutional discrimination may, for instance, occur where public sector employment is restricted to nationals or where immigrants without host country nationality are not eligible for community housing.

Regardless of the form that it may take, ethnic discrimination can hamper the access of immigrants and their offspring to jobs, housing or loan facilities and thereby contribute to a perpetuation of phenomena such as segregation in housing or overqualification. Apart from socio-economic consequences for immigrants and their offspring there is also evidence that the experience of discrimination might have negative effects on physical and mental health (*e.g.*, Greene *et al.*, 2006; Jasinskaja-Lahti *et al.*, 2007; Williams and

Mohammed, 2009). Finally, in circumstances where certain groups risk marginalisation in the long run, discrimination becomes a threat to social cohesion.

Tackling discrimination is thus of crucial importance for promoting integration at large. From an economic perspective, ethnic discrimination leads to a waste of resources (migrants' skills) and to a non-optimal allocation of goods, services and opportunities. Many OECD countries therefore maintain legal provisions to sanction unequal treatment and targeted anti-discrimination policies. Sound statistics on discrimination are important to ensure that such policies work efficiently and reach their goals. Yet the measurement of discrimination is still at an early stage of development in many OECD countries and even more so at the cross-country level.[1]

9.2. How can discrimination be measured?

The measurement of discrimination is less straightforward than that of other indicators for the integration of immigrants and their offspring. Essentially, three approaches to assessing discrimination in international comparison can be distinguished.[2]

The first approach has already been mentioned and is based on econometric analyses of already existing datasets. Discrimination is measured as the residual difference in employment rates, housing conditions, income or educational outcomes, which remains after accounting for a range of observable characteristics. Most datasets contain information on major socio-economic characteristics such as gender, age or educational attainment, whereas other characteristics – most notably those concerning language proficiency and other skills – are not directly measured. Even surveys that include measures of language and skills – such as the International Adult Literacy Survey or the OECD Programme for the International Assessment for Adult Competencies (PIAAC, the data for which are not yet available) – do generally not provide objective measures of additional, unobservable factors that influence integration, such as differences in personal networks, knowledge about relevant administrative or working procedures, or personal motivation and aspirations. As a consequence, the extent to which residual unexplained gaps in outcomes are driven by these unobservable factors instead of genuine discrimination remains largely unclear.

A second approach often used to measure discrimination is to ask immigrants and their offspring about their personal experiences and views regarding the incidence of unequal treatment. Respective questions about *perceived* discrimination are included in a number of social surveys such as the European Social Survey, the Eurobarometer, or the General Social Surveys in Canada and New Zealand (see also further down). While some of these surveys, such as those for Canada and New Zealand, ask the respondent to recall if he or she has ever actually felt personally discriminated against, other surveys, such as the *European Social Survey*, employ a more abstract approach. The latter asks if respondents generally consider themselves members of a group that is discriminated against based on ethnicity, race or nationality. This is a slightly ambiguous measurement of *perceived* discrimination as it blurs the distinction between personal experience and general perceptions about the situation of one's ethnic group overall. Individuals might not have been subject to discrimination themselves but still consider their ethnic group to be affected, while persons who felt personally exposed to unequal treatment might, in turn, project this experience on their whole community.

Measuring *perceived* discrimination has some general weak points that arise from its inherent subjectivity: victims might not always detect discrimination where it occurs or, on the contrary, prematurely attribute certain obstacles or disadvantages to discrimination that are actually a result of other factors. Indeed, the extent to which immigrants and their offspring perceive ethnic discrimination varies with a range of socio-economic characteristics such as gender, age, educational attainment and employment status (see the next section). In addition, the public discourse about immigration and integration in the receiving country as well as norms prevailing within different immigrant groups may influence perceptions of discrimination. Isolated but highly mediatised events might also play a role in shaping perceptions about discrimination. The measurement of self-reported *perceived* discrimination is thus prone to over or understate its actual extent.

A third method that aims to measure discrimination as objectively and rigorously as possible is so-called *correspondence testing,* which has become increasingly widespread over the past two decades (Pager and Shepherd, 2008). To single out discrimination in the moment when it occurs, applications are submitted to job or housing advertisements in the name of two fictitious applicants. The profiles of these applicants are largely equivalent with the only distinctive attribute being the ethnic background, which is usually indicated by the first and last name. Discrimination is then assessed as the difference in call-back rates or invitations to personal interviews or property viewings that both candidates receive. This approach allows manipulating all information that is sent out with the application and reduces the risk of employers or landlords making their decision on the basis of any other factor but the given, observable ones.

9.3. Evidence on discrimination from testing studies

Testing studies have examined discrimination in the labour market, in the housing market as well as in sales of consumer goods and insurances (for a review, Riach and Rich, 2002). Virtually all studies that were carefully designed show a considerable incidence of discrimination against applicants of immigrant origin. A testing study in the Swedish housing market, for instance, found that applicants with Arabic-sounding names had to write almost twice as many applications as candidates with Swedish-sounding names to be invited for a property showing (Ahmed *et al.*, 2010). Discrimination of a similar magnitude against immigrants of Moroccan origin was found in the Spanish housing market (Bosch *et al.*, 2009).

Testing studies on discrimination in the labour market were conducted in a wide range of OECD countries – namely Belgium, Denmark, France, Germany, Italy, the Netherlands, Norway, Spain, Sweden, Switzerland, the United Kingdom and the United States – following a standard procedure for correspondence testing developed by the International Labour Organization (ILO) in 1992 (Bovenkerk, 1992). These studies focus on different immigrant groups and also differ strongly with respect to the occupations under examination. Their findings are therefore not directly comparable. Nevertheless, they predominantly come to the same conclusion that labour market discrimination against immigrants and their offspring exists and significantly reduces their chances to be hired.

A particularly strong case of unequal treatment in hiring was observed through a testing study in France. Job applicants with a migration background from an origin country in Sub-Saharan Africa had to write more than four times as many applications to be invited for a job interview as candidates of French origin (Cediey and Foroni, 2007). Discrimination

was found to be less pronounced in Belgium (Arrijn *et al.*, 1998), Canada (Oreopoulos, 2009) and Sweden (Carlsson and Rooth, 2007), although job applicants with foreign sounding names still had to write 15 applications on average to be invited for a job interview while ten applications were sufficient for candidates without a migration background.

Two Dutch studies that looked at hiring procedures for highly skilled (Altintas *et al.*, 2007) and low-skilled occupations (De Graaf-Zijl *et al.*, 2006) found no significant incidence of discrimination in hiring whatsoever. However, other studies from the Netherlands produced different observations. Dolfing and van Tubergen (2005), for instance, found that applicants of Moroccan origin were three times more likely to be rejected than persons without immigrant background when applying for internships in low-skilled occupations over the phone.

The Dutch case of several testing studies from the same country yielding contradictory results underscores that findings from studies of this type need to be interpreted with caution. The magnitude of discrimination observed in testing studies is bound to the examined immigrant group, occupation and point in time. As measurement remains, in this sense, punctual and context-bound, findings from testing studies cannot be generalised for the labour market at large and international comparisons are made particularly difficult. For a cross-country testing study, immigrant groups and occupations would need to be chosen very carefully in order to ensure a certain level of comparability from one labour market to another. Finally, testing studies are also subject to some additional limitations, most notably, they do not allow for assessing the full magnitude of discriminatory treatment, as usually only the final turnout is observed in terms of a "yes/no" response.

9.4. Comparative evidence on perceived discrimination against immigrants and their offspring

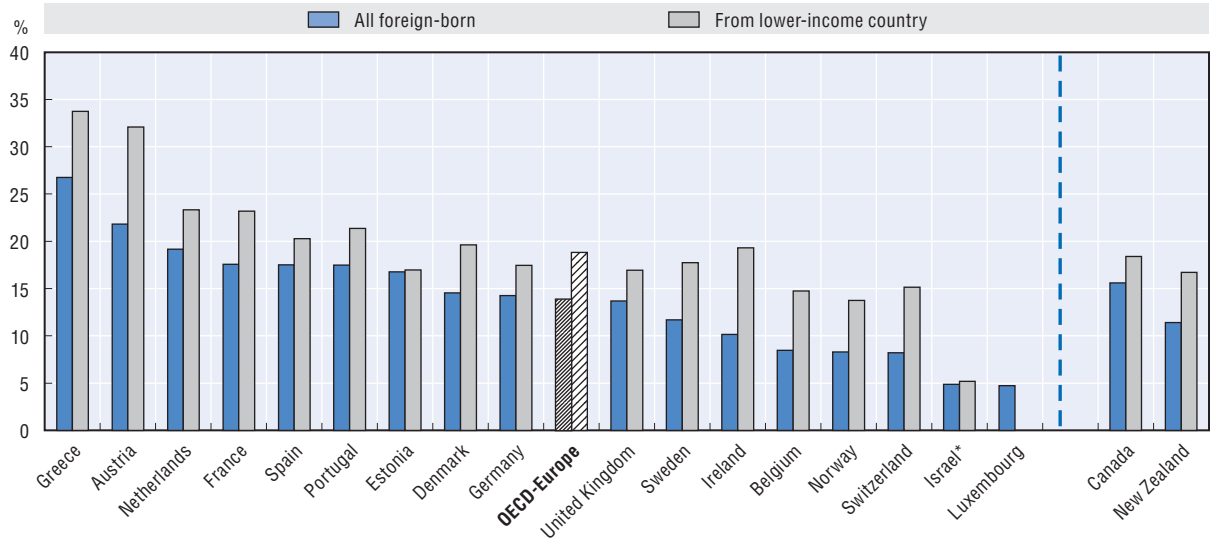
Testing studies are rather demanding with respect to their design and realisation. They require both time and resources and, hence, careful preparation. In addition, there are certain limitations to the comparability of findings across countries, which have been discussed above. With respect to these considerations, an analysis of *perceived* discrimination appears more straight forward.

As mentioned above, the Eurobarometer and the European Social Survey both provide easily accessible data on perceived discrimination in European countries. While the Eurobarometer regularly includes questions on discrimination in its survey rounds, it does not survey citizens from non-EU countries, although this group can be expected to be particularly affected by ethnic discrimination. The European Social Survey (ESS), in turn, considers residents of European countries regardless of their nationality and includes some questions on perceived discrimination in all five rounds that were conducted between 2002 and 2010.

Beyond the European context, information on perceived discrimination is available for Canada and New Zealand. Both countries included a question about personal experience with discrimination in their General Social Surveys in 2009 (Canada) and 2008 (New Zealand). When looking at the subjective experiences with discrimination reported by immigrants who were surveyed in Europe, Canada and New Zealand, a heterogeneous picture emerges across OECD countries (see Figure 9.1).

Figure 9.1. **Share of immigrants who consider themselves members of a group that is discriminated/have been discriminated against based on ethnicity, nationality or race, by country of origin, persons aged 15 to 64, selected OECD countries, 2002-10**

Percentage



Note: These shares were calculated excluding non-response and "don't know". Data from the European Social Survey (ESS) refer to the perception of generally belonging to a group that is discriminated against on the grounds of race, ethnicity or nationality. Canadian data include foreign-born who, in the past five years, have experienced discrimination or being treated unfairly by others in Canada because of their ethnicity or culture, race or colour. New Zealand data include foreign-born who report to have been treated unfairly or to have had something nasty done to them within the prior 12 months because they belong to a certain ethnic/racial group or nationality.

* Information on data for Israel: *http://dx.doi.org/10.1787/888932315602*.

Source: Canadian General Social Survey, cycle 23, 2009; European Social Surveys (ESS), 2002-2010; New Zealand General Social Survey (NZGSS) 2008.

StatLink *http://dx.doi.org/10.1787/888932736528*

The incidence of perceived ethnic discrimination is highest in Greece, where 26 % of the foreign-born population consider themselves members of a group that is discriminated against based on the above-mentioned grounds. In general, all southern European receiving countries have shares above the 14% average of European OECD countries under comparison (see Figure 9.1). Perceived discrimination is relatively low in Belgium, Norway, Switzerland and finally Luxembourg where less than 5 % of the foreign-born deem their peer group subject to ethnic discrimination. In Canada and New Zealand, where participants in the General Social Survey were asked about actual personal experience of discrimination, the levels of perceived discrimination roughly correspond to the European OECD average.

Across all OECD countries under comparison, the incidence of perceived discrimination is significantly higher among immigrants from lower-income countries than in the overall immigrant population. Austria and Greece stand out with roughly one third of foreign-born from lower-income countries considering that their ethnic group is subject to discrimination, compared with an average of less than 20 % in the overall comparison group of European OECD countries.

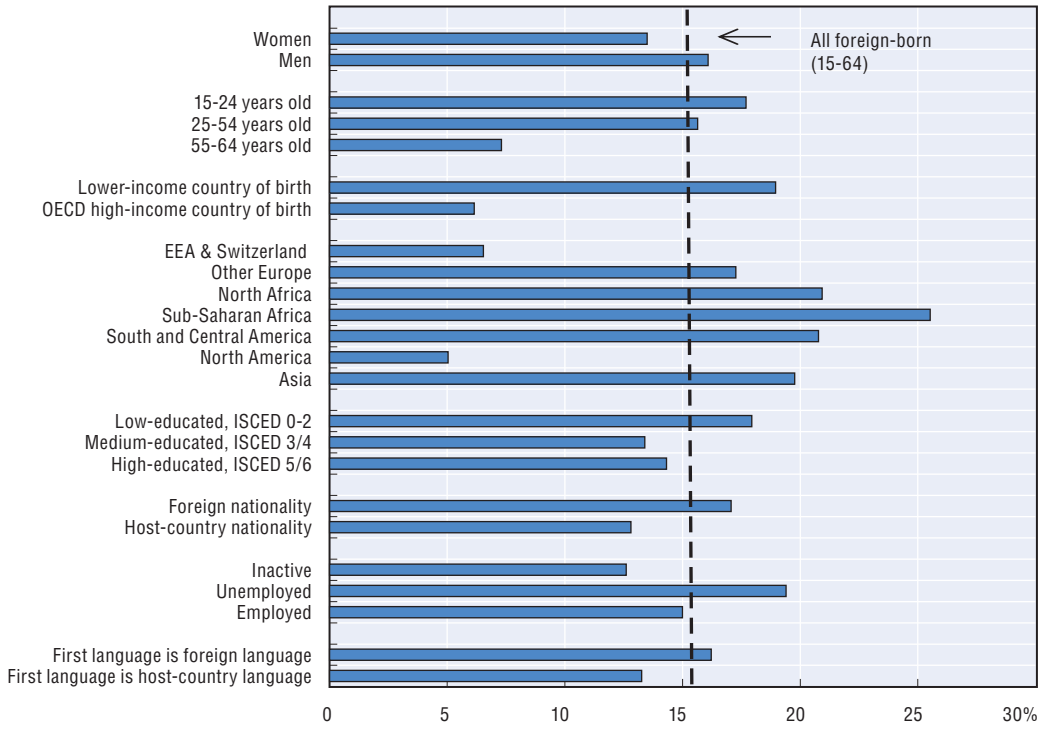
However, figures from the European Social Survey need to be interpreted with caution because the number of foreign-born respondents in the country samples (containing, in total, between 1 000 and 2 000 respondents per survey round and country) is small. A more detailed analysis of factors related to the perception of discrimination in the European

context is therefore only possible at the aggregate level of all countries that participated in the survey.

When scrutinising perceived discrimination in Europe in relation with the respondents' major socio-economic characteristics immigrants from Sub-Saharan Africa emerge as the group most likely to perceive discrimination, followed by immigrants from North Africa, Latin America and Asia (see Figure 9.2a). Apart from the region of origin, a range of other socio-economic characteristics shape the extent to which immigrants perceive discrimination on the grounds of ethnicity, race or nationality. Across European OECD countries as well as in Canada and New Zealand (see further down) the incidence of perceived discrimination reported by immigrants is higher among men than among women and tends to affect younger age cohorts more strongly than older migrants.

In European OECD countries, low-educated immigrants are more prone to feeling discriminated against than medium and highly educated persons as are unemployed persons compared with those in employment. Immigrants outside the labour market appear to be even less concerned.

Figure 9.2a. **Share of immigrants aged 15 to 64 who consider themselves members of a group that is discriminated against based on ethnicity, nationality or race, by socio-economic characteristics, European OECD countries, 2002-10**



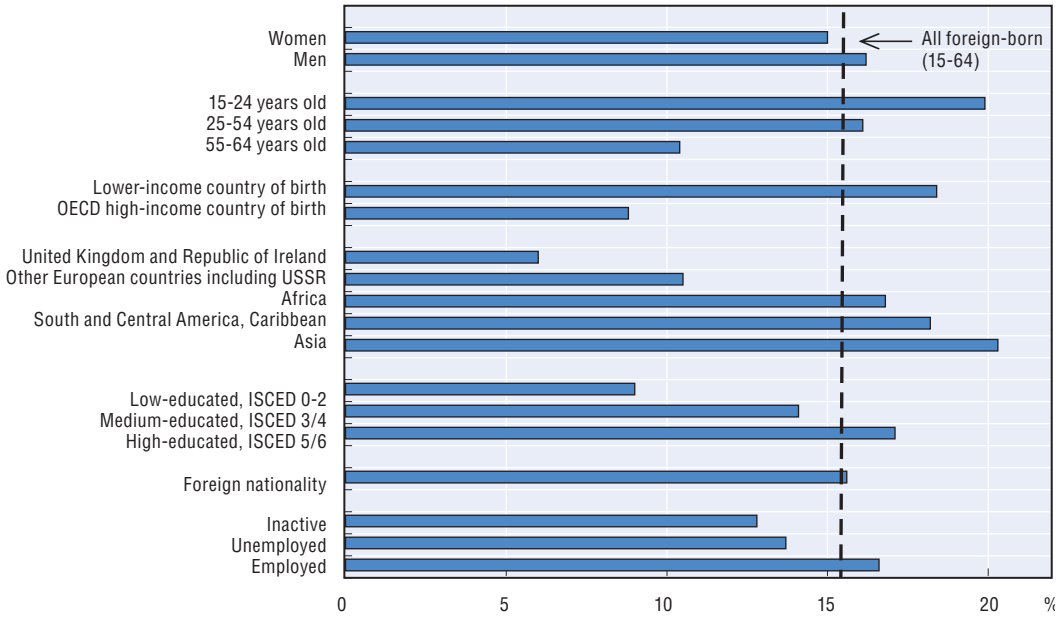
Note: Data include European countries stated in Figure 9.1 plus the Czech Republic, Finland, Hungary, Italy, Poland, the Slovak Republic, Slovenia and Turkey, for which sample sizes are too small to allow reporting country results individually.

Source: European Social Survey, 2002-2010.

StatLink http://dx.doi.org/10.1787/888932736547

Immigrants who have been naturalised and obtained the receiving country nationality are less likely to feel discriminated against than immigrants who remain foreign nationals. The same holds for immigrants who mainly communicate in the receiving country language at home, compared with those who speak a different primary language.

Figure 9.2b. **Share of immigrants aged 15 to 64 who report to have been discriminated against based on ethnicity or culture, race or colour within the five prior years, by socio-economic characteristics, Canada, 2009**



Source: Canadian General Social Survey, cycle 23, 2009.

StatLink http://dx.doi.org/10.1787/888932735825

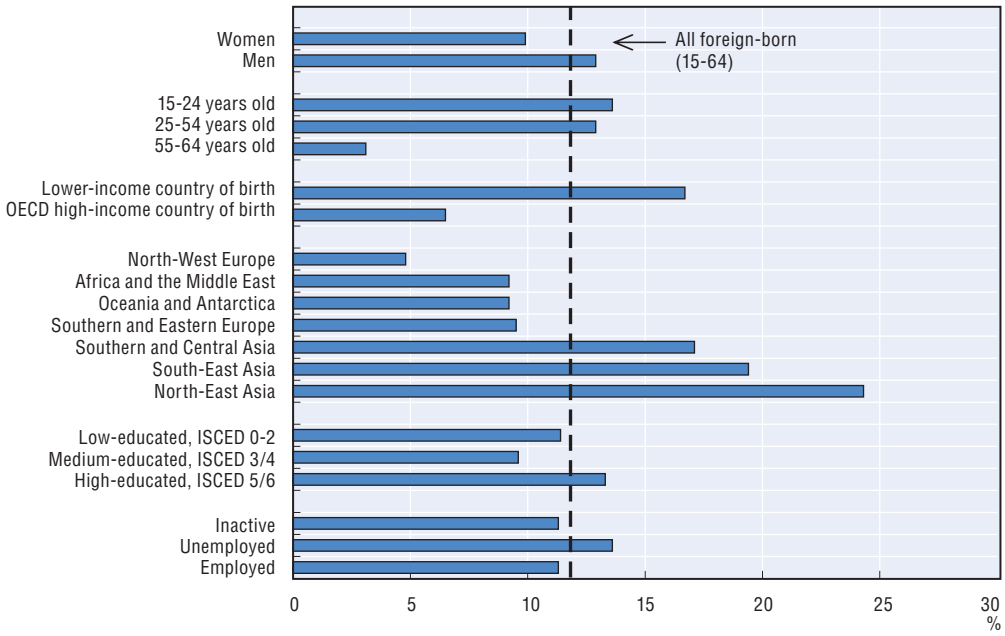
In Canada, immigrants from Asia, more than those from Sub-Saharan Africa, report the highest incidence of perceived discrimination. Highly educated immigrants in Canada tend to feel discrimination more often, whereas in the European OECD area it is the low-educated. While employed immigrants report lower incidences of discrimination than the unemployed and the inactive in Europe, in Canada, the reverse is true.

In New Zealand, perceived discrimination also tends to be particularly widespread among immigrants from Asia, and specifically from North-East Asia. Similar to Europe, perceived discrimination is elevated among the unemployed, but as in Canada, it is more often reported by the highly educated than by the low-educated.

Native-born immigrant offspring should, in principle, not encounter the same integration hurdles as their parents. Having been educated in the host country, they have better access to knowledge about the functioning of social institutions and the labour market. Moreover, they are often more proficient in the host country language than their foreign-born parents. Some factors that might stir discrimination such as language deficits or lack of social capital should therefore be less pertinent for the native-born children of immigrants than for their immigrant parents.

However, on average across European OECD countries, the feeling of belonging to a discriminated group is even more frequent among native-born offspring of immigrants

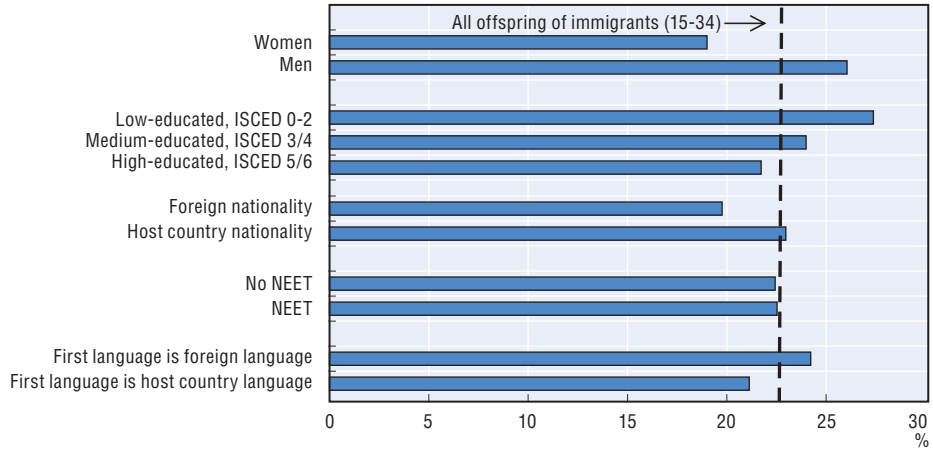
Figure 9.2c. **Share of immigrants aged 15 to 64 who report to have been discriminated against within the prior twelve months because they belong to a certain ethnic/racial group or nationality, by socio-economic characteristics, New Zealand, 2008**



Source: New Zealand General Social Survey (NZGSS) 2008.

StatLink http://dx.doi.org/10.1787/888932735844

Figure 9.3a. **Share of native-born offspring of immigrants aged 15 to 34 who consider themselves members of a group that is discriminated against based on ethnicity, nationality or race, by socio-economic characteristics, European OECD countries, 2002-10**



Note: Data include European countries stated in Figure 9.1 plus the Czech Republic, Finland, Hungary, Italy, Poland, the Slovak Republic, Slovenia and Turkey, for which sample sizes are too small to report country results individually.
Source: European Social Survey, 2002-2010.

StatLink http://dx.doi.org/10.1787/888932735863

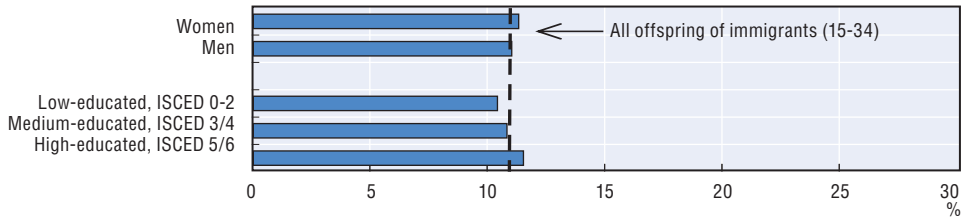
than among persons who were born abroad (see Figure 9.3a). While 14% of foreign-born consider their ethnic group to be subject to discrimination, 23% of native-born offspring of immigrants aged 15 to 34 report the same. This share is largely driven by youth whose

parents have migrated from *lower-income countries*. Among this group, 27% consider themselves members of a group that is treated unequally. In turn, such perceptions appear to be much less frequent among youth with at least one parent from an OECD high-income country.

Similar to perceptions among the foreign-born in European OECD countries, *perceived* discrimination is particularly pronounced among young men born in the host country to immigrant parents (26%) and at lower levels of educational attainment. However, there does not seem to be a significant relation between speaking mainly the receiving country language and the perception of discrimination. Moreover, no significant difference in perceptions can be observed for the group of youth who are neither in employment nor in education or training (NEET).

These pooled findings from the European Social Survey demonstrate a need for more in-depth analysis about the particular experiences and perceptions of native-born offspring of immigrant who seem to differ from those of their parents. However, native-born offspring of immigrant currently represent only a small group of survey respondents in many European OECD countries and would need to be targeted more explicitly to allow for analysis of a larger scope.

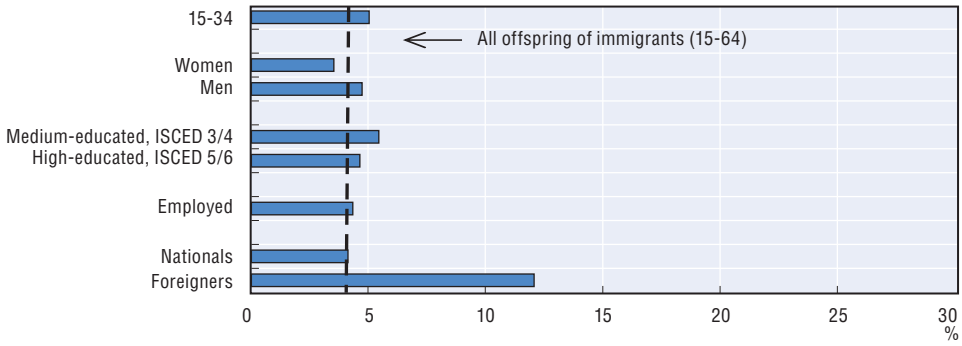
Figure 9.3b. **Share of native-born children of immigrants aged 15 to 34 who report to have been discriminated against based on ethnicity or culture, race or colour within the five prior years, by socio-economic characteristics, Canada, 2009**



Source: Canadian General Social Survey, cycle 23, 2009.

StatLink http://dx.doi.org/10.1787/888932735882

Figure 9.3c. **Share of native-born children of immigrants aged 15 to 64 who report to have been discriminated against within the prior twelve months because they belong to a certain ethnic/racial group or nationality, by socio-economic characteristics, New Zealand, 2008**



Note: For sample size issues, data by socio-economic characteristics are presented for the native-born offspring of immigrants aged 15 to 64.
Source: New Zealand General Social Survey (NZGSS) 2008.

StatLink http://dx.doi.org/10.1787/888932735901

In Canada and New Zealand, the General Social Surveys count a sufficient number of native-born offspring of immigrants among their respondents to be able to scrutinise the perceptions of this group separately in both countries. In contrast with perceptions of native-born offspring of immigrants in European OECD countries, native-born children of immigrants in Canada and New Zealand tend to feel less concerned by discrimination than persons who migrated themselves. Differences between young men and women are small, as are differences in perceived discrimination by level of educational attainment. Only having foreign citizenship is associated with a particularly strong perception of discrimination in New Zealand.

The aggregate picture of associations between perceived discrimination and the socio-economic characteristics of immigrants and their children found at the level of European OECD countries differs from those found in Canada and New Zealand. There are some common aspects such as the relatively low incidence of perceived discrimination reported by the oldest cohort of immigrants of working age. Yet there is variation with respect to the groups of immigrants who feel most concerned by discrimination, which highlights the importance of scrutinising the individual socio-economic context of receiving countries as well as their major immigrant groups when analysing discrimination in international comparison.

In conclusion, there are different methodological approaches to measuring discrimination against immigrants and their children and each of them has advantages as well as shortcomings. In general, discrimination is a challenging topic for cross-country comparative analysis because the particular characteristics of an immigrant population in a given country play an important role for their perception of discrimination. Such characteristics can be accounted for when working with survey data, but are harder to control for in testing studies that would otherwise offer the most rigorous assessment of discrimination. These challenges notwithstanding, measuring discrimination remains crucial in its own right to shed light on unequal treatment, to raise public awareness about this issue and to identify fields of intervention for anti-discrimination and diversity policy.

Notes

1. For a comprehensive discussion of discrimination statistics as a tool for policy making, see Simon (2005).
2. For an in-depth discussion of techniques to measure racial and ethnic discrimination, see Blank *et al.* (2004).

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